

JPRS 77714

31 March 1981

West Europe Report

No. 1725



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

31 March 1981

WEST EUROPE REPORT

No. 1725

CONTENTS

THEATER FORCES

SWEDEN

- Paper Views Nordic Concerns Over Nuclear Arms
 (Editorial: DAGENS NYHETER, 16 Mar 81)..... 1

ECONOMIC

GREECE

- Finance Minister Explains Zero-Based Budget System
 (BUSINESS & FINANCE, 21 Feb 81)..... 3
- Balance of Payments Analysis Published
 (BUSINESS & FINANCE, 21 Feb 81)..... 6

SWEDEN

- Government, SDP, Swedish Families Face Belt Tightening
 (DAGENS NYHETER, 28 Jan, 25 Feb 81; SVENSKA DAGBLADET,
 17 Jan 81)..... 8
- Welfare State Questioned
 Risky Industry Subsidy Policies
 SDP Changes Economy Stands
 Impact on Family Examined
 'Konradsson Family' Worse off Now
 'Average Family' on the Verge of Ruin
 'More Than Three Children: Economic Insanity'

TURKEY

- Figures Given on Workers in Arab Countries
 (HURRIYET, 10 Mar 81)..... 22

POLITICAL

INTERNATIONAL AFFAIRS

- 'AFTENPOSTEN' on Deliberations of North Europe SDP Meeting
 (Aasmund Willersrud: AFTENPOSTEN, 16 Mar 81)..... 23

CANADA

PQ Election Prospects in Montreal, Elsewhere Analyzed (LA PRESSE, 7 Mar 81).....	25
Discontent in Montreal, by Louis Falardeau	
PQ Gaining in Laval, Rive-Sud, by Louis Falardeau	
Nonfrancophone Electorate Neglected, by Louis Falardeau	
Tough Fight in Maisonneuve, by Louis Falardeau	
PQ Could Lose in Bas-du-Fleuve-Gaspesie, by Claude-V Marsolais	

CYPRUS

Briefs	
Remarks by Sofianos	37
Attacks Against Kyprianou	37

FEDERAL REPUBLIC OF GERMANY

Candidates for Mayor of Berlin Give Views on Reforms (DER TAGESSPIEGEL, 28 Feb 81).....	38
--	----

FINLAND

Paper Views Dilemma Between Neutrality, Treaty With USSR (Editorial; HUFVUDSTADSBLADET, 20 Mar 81).....	45
--	----

ITALY

Doga Poll of Voters on Forthcoming Referendums (Renzo di Renzo; L'ESPRESSO, 21 Dec 80).....	47
--	----

NORWAY

Paper Comments on Meeting of North Europe SDP's in Oslo (Editorial; AFTENPOSTEN, 16 Mar 81).....	51
---	----

'AFTENPOSTEN' Editorial Endorses Frydenlund Storting Report (Editorial; AFTENPOSTEN, 19 Mar 81).....	53
---	----

SWEDEN

Foreign Minister Ullsten Discusses Sweden's World Role (David Noble; MARKETPLACE SWEDEN, Mar-Apr 81).....	55
--	----

MILITARY**DENMARK**

Government Offers Increase in Defense Spending (BERLINGSKE TIDENDE, 19 Mar 81).....	57
--	----

FINLAND

- Latest Defense Committee Recommendations Reported**
(Erik Appeli; HUVUDSTADSBLADET, 6 Mar 81)..... 58

NORWAY

- Oslo Paper Reviews Funds Available to Forces Components**
(Knut Falchenberg; AFTENPOSTEN, 19 Mar 81)..... 62

SWEDEN

- Defense Forces Commander in Chief To Examine Budget Options**
(Sven Svensson; DAGENS NYHETER, 14 Mar 81)..... 64

GENERAL

FRANCE

- Third Ariane Launching Expected About 11 June**
(Jean-Paul Croize; LE FIGARO, 27 Feb 81)..... 65

GREECE

- Finnish Foreign Ministry Official Interviewed**
(Keijo Korhonen Interview; BUSINESS & FINANCE, 21 Feb 81).... 66

PAPER VIEWS NORDIC CONCERNS OVER NUCLEAR ARMS

LD231451 Stockholm DAGENS NYHETER in Swedish 16 Mar 81 p 2

[Editorial: "The Nordic Community and Security"]

[Text] Developments in arms technology have also made life more uncertain for those of us who live in the Nordic countries. This is said more and more often in the debate, insofar as there is any security policy debate in our country.

There are good reasons for asserting that the Nordic countries have been a stable corner of Europe during the whole of the postwar period. Increased tension between the power blocs has never been caused by the situation in the Nordic countries. Nor is this fundamental fact altered by the most recent controversial security policy element in the Nordic countries--the contingency stockpiling of certain materiel for a U.S. marine brigade in the NATO nation of Norway.

But the worries are there. They revolve around things like the Soviet expansion of the Murmansk Base and the Kola Peninsula coupled with increased investment in nuclear-armed submarines, intended for strategic warfare between the superpowers. More and more has been at stake for the Soviet Union in the far north. This could possibly have increased the risk of the country taking a military initiative on the North Calotte in a war situation to preempt possible NATO action.

However, the worries not only cover the Soviet Union. In the Norwegian debate leftwing critics among others have claimed that there is a danger that Norway, despite its peacetime restrictions, would soon find itself drawn in as a base in U.S. nuclear warfare on Murmansk-Kola. In such a case Norway in its turn could be the target of nuclear attacks.

Finnish President Urho Kekkonen, as part of his 20-year struggle to establish a nuclear-free zone in the Nordic community has put special emphasis on a new worry which has arisen out of the development of cruise missiles, a field in which the United States is in the lead. Cruise missiles, a sort of pilotless nuclear-armed aircraft, could follow a course across the Nordic countries at a low altitude. This places increased demands on countries like Sweden and Finland to defend their territory against such blatant violations of neutrality. In Sweden Alva Myrdal has spoken of the cruise missiles as a special Nordic problem.

The majority of us are bound to find it strange to speak of the Nordic countries as an advance combat zone in a major East-West conflict. But if we ignore the usual map image, it is easier to see that the Nordic countries lie in a strategically important part of the world for both the superpowers. There are even voices taking part in the debate which have begun to say that the Nordic countries could be especially susceptible to nuclear attack.

The argument, in drastically shortened form, runs as follows. Technical developments give rise to beliefs and doctrines, that it is possible to fight a limited nuclear war with delivery systems with great precision. Both sides could be tempted to use nuclear arms, and both would at the same time be eager to avoid escalation, large losses in densely populated areas and panic counter-reactions.

In such a situation it is possible that the two sides would prefer to attack each other with limited nuclear strikes--in part as a sign of continued "restraint"--by using nuclear arms in sparsely populated, peripheral areas. The Nordic countries are one of these.

However, a frightening picture such as this is not particularly common in discussions. But nevertheless concern over nuclear arms is growing. This in its turn has led to a revival of interest in a nuclear-free zone in the Nordic countries. Proposals published in Sweden by Alva Myrdal and in Norway by Jens Even-sen, former law of the sea minister, have attracted much attention. The question of a nuclear-free zone is expected to have a central place in this year's Riksdag foreign policy debate in a few days time.

But other detente projects have also become current again. It has not been much reported, at least in Sweden--Finland expert Krister Wahlbaeck has rightly criticized the mass media for their inattentiveness--but the Finns have been making moves to prompt Kekkonen's old idea for a special agreement between Norway and Finland to safeguard [Freda] the border areas in the north. The idea for such a measure was launched last fall by former Finnish Foreign Minister Jeijo Korhonen. It is also said to have been discussed at a Norwegian foreign minister visit to Helsinki.

In its modern form the Finnish proposal for a border agreement is of direct significance for the endeavors to prevent the Nordic countries being subjected to nuclear warfare. If Finland and Norway both committed themselves to exercising military control over their northern territories themselves and keeping others away, there would be no targets whatsoever for the superpowers' nuclear arms in the whole of this area.

It is obvious that this type of Finnish idea is part of the general aspiration to show Finland's willingness to preserve its neutrality. A Norwegian newspaper said without much diplomatic finesse that a border agreement would in fact commit Finland to defending itself against a possible future Soviet attack on Norway across Finnish territory.

FINANCE MINISTER EXPLAINS ZERO-BASED BUDGET SYSTEM

Athens BUSINESS & FINANCE in English 21 Feb 81 pp 11,12,31

[Text] Minister of Finance Miltiadis Evert points out the first effects of the zero-based budget system. The Greek programme for the increase of productivity should serve as a model to be followed by the other OECD countries.

THE programme for the increase of productivity which includes the zero-based budget system, met with international recognition, and was described by the OECD as a model for the other member-states.

This was announced last week, by the Minister of Finance Miltiadis Evert, also acting as President of the Council for the Evaluation of the Budget (SAP) responsible for carrying out the programme throughout the public sector.

The main objectives of SAP

The target of the government, through the Ministry of Finance, is to render the Public Administration more effective and of greater assistance to the citizens. Public administration belongs to the citizen. It is financed by the citizen, mainly through taxes that he pays, and is therefore at the service of the citizen. It is the duty of the State to see that the tax-payers' money is efficiently used. The target, therefore, is to bring the public administration to the citizen's home.

However, the Minister pointed out, the problem of the efficiency of the public administration system is not an exclusively Greek one. Countries the world over have the same problems,

regardless of their socio-economic systems. Public administration concerns the entire spectrum of services offered by the state to its citizens, through the various organisational branches of the state, such as the ministries, public corporations, semi-governmental institutions, etc.

In order to increase the efficiency of these services, the various public agencies must periodically review and check their activities, in a systematic way, which will lead to the taking of concrete steps and measures.

To assist in this effort, and under the initiative of former Minister of Finance Kanellopoulos, the government established a ministerial advisory agency, which would examine and evaluate services offered to the citizen, and offer technical assistance to the various agencies, with the aim of improving their efficiency. This agency is SAP, presided over by the Minister of Finance.

The system

To carry out its task, SAP is assisted by a Secretariat staffed by about 70 executives from various public agencies, who have been selected on the basis of their knowledge, experience, and capabilities. In co-operation with the secretariat, is a

group of foreign advisers, who are management specialists, and specialists also in the operation of public administration, and the improvement of its efficiency through the procedures of compiling the budget.

Two basic procedures, which are inter-dependent, are applied. These are the Increased Productivity Programme (PAP) and the Zero-Based Budget (PMB). The first procedure is an aggregate of economic and technical management methods with which the functioning of an agency or ministry or other organisation, or at least one sector of it, is analysed in depth.

The second procedure, which is usually the reason for setting off the first procedure, is a technique of the analysis of the expenses of each of the agencies, in accordance with their expediency and usefulness, without taking into consideration the fact that these expenses were also effected in previous periods.

During the 1½ years of the operation of PAP, it has examined in the first stage, in close cooperation with the management of these agencies, the ways in which all the Ministries, as well as 30 State organisations and public corporations operate. This service brought to light certain activities which presented problems, and which left room for improvement in either the quality or the quantity of the service offered to the citizens, or in holding down expenses. Priority was given to the importance of the various problems which were spotted through the Zero-Based Budget procedure, in accordance with the importance each problem had for the citizen.

Public Health

In view of its importance, and the room for improvements, priority was given to the sector of public health, and three special studies were prepared by SAP.

- a - The improvement of medical care offered by state hospitals.

- b - The improvement in the system of issuing health booklets, and their use by civil servants.
- c - The simplification of the procedures for the control and payment by the State of medical expenses to doctors and pharmacists.

These studies showed that there was ample room for improvement in the service offered to the people, and room also for considerable savings. Specifically, on hospital treatment, the first analysis indicated that there is room to increase the number of beds available in State hospitals, on the one hand by reducing the number of admissions, through improving the facilities of the out-patient departments, and on the other by reducing the average length of time a patient remains in the hospital. This, according to the study, can be achieved through better co-ordination, and by speeding up the time taken by laboratory tests, so that the preliminary stay of a patient in hospital can be cut down as much as possible, without affecting the necessary treatment period.

The experimental application of this study at the State General Hospital proved that the treatment period could in fact be shortened. During November and December 1980, the average length of stay in hospital was reduced to 8.8 days, (compared to 11 in 1979), without, the Minister stressed, limiting the treatment time. That decrease of 20% indicates a corresponding increase of new admissions.

As the State General Hospital is perhaps the best-managed State Hospital, with the shortest staying time for patients, it is understood that the possibilities for improving the operations of the other state hospitals in the Athens area are even greater. It was pointed out that by improving the operations of the other hospitals in the Athens area, and thus increasing the number of admissions, the necessity for building two new hospitals in the Athens area will be obviated. This does not mean, of course, as might easily be misunderstood, that the

plans for the construction of these hospitals have now been cancelled. It is simply that 50,000 more patients a year will be able to receive treatment under better conditions, and without unnecessary expense on the part of the State. The savings gained by the application of these methods amount to several billion drachmas per year.

A separate study on the Agiaia Kyriacou Children's Hospital, which presents some difficulties, is under preparation, and will be completed in February. Efforts are also being made to improve the administrative structure of Thessaloniki and other regional centres. Studies for the hospitals of Sparti and Volos are also being prepared.

Applications in Public Administration

Within the framework of the Increased Productivity Programme, over 30 special techno-economic studies have been prepared. These concern a great number of sectors of State activity, and some of them have already been materialised.

The study concerning ELTA (the Postal Service), for instance, has already been applied. A change was made in the delivery service to Northern Greece, routing of mail delivery vans in the Attika area has been rescheduled, and the reorganisation of the Central Post Office continues. EOT has also started to apply the study concerning improvements in the management of its district offices, both in Greece and abroad, as well as its hotels and other tourist installations.

Studies are underway for transportation means in the capital area, as well as for the main social welfare institutions (PIPKA, EOP, King Paul National Institute). Simplification of the procedures to reduce the time taken to pay compensation to farmers for crop damages from the weather have also been studied.

Studies are also being prepared for the needs of the fire brigades and first aid stations in provincial towns.

Computerisation for the Ministry of Finance

The Ministry of Finance has always given special attention to the contribution of computers to the better service of the citizen. Since 1977, income tax and car fees have been paid on the basis of computerised forms, and citizens can pay in banks and tax collecting offices in the Athens and Piraeus area, and other big cities. This system will soon be extended to cover the whole country.

The new tax return forms have been simplified in order to facilitate and expedite the evaluation of tax returns. The computerisation of customs is expected to be completed by June 1981. This programme provides for the operation of two central units of computers of a large capacity, and an extensive network of terminals connected to the computer. This has a real time system, which minimises the time of transactions (answers are received in 5 seconds). This system will be used by all Greek customs offices which cover over 85% of movement of exports and imports.

The operation of the teller system in the State collection offices are carried out with the installations of electronic cashier machines. The long-term aim of this effort is the establishment, the quick and exact processing of data regarding the course and efficiency of the services of the various agencies, as well as their costs to the State, will be able to take the relevant decisions in a more systematic and effective way.

Minister Evert concluded by repeating again what had said at the beginning of his speech, that the programme would bring the State to the citizen's doorstep.

BALANCE OF PAYMENTS ANALYSIS PUBLISHED**Athens BUSINESS & FINANCE in English 21 Feb 81 pp 2,3****[Article by E.L.]****[Text] A high oil bill pushed up total imports while private sector imports stagnated**

THE 1980 balance of payments developments reflect the strengths and weaknesses of the Greek economy, the importance of invisibles and their dependence on oil imports. Total imports rose by 6.5% to \$10,769 million. All the increase came from the 30.3% rise of state imports, most of which is oil. Oil imports rose by 27.7% to \$2,875 million, compared with \$2,252 million a year ago. Oil exports at \$239 million have declined from the \$465 million in 1979. Thus the net import bill rose by 47.5% to \$2,636 million. Imports of the private sector remained at about the 1979 levels. This was due to the considerable slowdown of economic activity, the voluntary restraint of certain categories of imports applied successfully by the importers' associations, and the lack of any speculative stockpiling in 1980. These voluntary restraints were terminated in November 1980 in view of Greece's accession to the EC. State imports accounted for 28% of the total compared with 23% a year ago.

Invisibles, and particularly shipping, remained healthy, but exports grew at low levels

A drop of exports in the last quarter of 1980 slowed their growth over 1979 to 3.7%. Exports reached \$4,078 million and covered 38% of imports. Weak foreign demand and a strengthening dollar are largely responsible for that performance. The trade deficit rose by 8.3% to \$6,691 million. 69% of the trade deficit was covered by the still strong net invisibles. In fact, invisible receipts grew by 9.3% to \$6,191 million.

Receipts from shipping rose by 19.9% to \$1,821 million manifesting the importance and dynamism of the expanding Greek shipping sector. Despite a drop in tourist arrivals by about 9% largely due to the substantial decline of American tourists travelling abroad, receipts from tourism finally rose by 7.5% to \$1,787 million. Emigrant and worker remittances fell below the 1979 record to a still very satisfactory \$1,103 million. Their decline reflects the lower number of Greeks working abroad, the lower net inflows of their deposits in foreign exchange with their banks in Greece, and the recent strengthening of the dollar

Greece: Balance of Payments

(Millions of dollars)

JANUARY-DECEMBER (Preliminary)

	1979	1980	%
1. Imports	10,110	10,769	6.5
a. Private	7,820	7,784	-0.5
b. State	2,290	2,985	30.3
2. Exports	3,932	4,078	3.7
3. Trade deficit	6,178	6,691	8.3
4. Net invisibles	4,296	4,637	7.9
a. Receipts	5,662	6,191	9.3
Tourism	1,662	1,787	7.5
Shipping remittances	1,519	1,821	19.9
Emigrant and worker remittances	1,168	1,103	-5.6
b. Payments	-1,366	-1,554	13.7
5. Current account deficit	-1,882	-2,054	9.1
6. Capital inflow (net)	1,442	2,146	48.8
a. Private capital inflow	1,221	1,244	1.9
b. Official borrowing (State, Bank of Greece, public enterprises, supplier credits, SDRs)	570	1,266	122.1
c. Amortization	-442	-519	17.4
(public)	(-383)	(-429)	12.1
(private)	(-59)	(-90)	52.5
7. Errors and omissions	491	98	
8. Net position from external operations	76	215	
9. Official assets in gold and convertible currencies	1,128	1,274	12.9
10. Outstanding foreign supplier credits	1,402	1,716	22.4

against the DM. The continuous strengthening of the dollar has also adversely affected the last quarter tourism and shipping receipts as earners of dollars have probably delayed their conversion into drachmas in anticipation of a further strengthening of the dollar. Of the invisible payments which rose by 13.7% to \$1,554 million, the most important items were the interest and dividend payments and the payments for tourism and education.

Current account deficit and reserves rose at moderate levels - official borrowing more than doubled
higher amortization

The slowdown of exports and invisible receipts in the last quarter of 1980, particularly in December pushed the current account deficit to \$2,054 million, a 9.1% increase over 1979 levels. Adding the higher amortization payments of \$519 million the 1980 financing requirements exceeded \$2.5 billion. These were met by the \$1.2 billion private capital inflows and a higher (\$1.3 billion) official borrowing, which allowed for an increase in reserves. Official reserves in gold and convertible currencies rose to \$1,274 million by the end of 1980, covering a little more than one month's imports. Nevertheless, gold reserves at about \$170 million are still calculated at SDR35 per ounce, only a fraction of its market price.

GOVERNMENT, RDP, SWEDISH FAMILIES FACE BELT TIGHTENING**Welfare State Questioned**

Stockholm DAGENS NYHETER in Swedish 25 Feb 81 p 9

(Report on speech by Minister of Economy Gosta Bohman at the Swedish School of Economics in Helsinki on 24 February 1981)

[Text] Economic policy does not create welfare. What is required is a special social climate, and knowing that paves the way for a liberal renaissance. That was Minister of Economy Gosta Bohman's main message on Tuesday as he spoke at the Swedish School of Economics in Helsinki.

He painted a picture of economic liberalism's influence on Europe's social climate and gradually led up in his talk to the crisis that hit a good many countries during the 1970's.

The undermining of stability in the world's economy had begun even before the oil crises set in. The policy for bridging the crisis by keeping demand high failed in Sweden and elsewhere.

One can draw the conclusion that a financial policy aimed at keeping production and employment up in order to "manipulate" demand can have only very short-term effects, said Bohman.

"Work More, Save More"

He described the ideas, dating from the 1930's, that one could consume one's way out of unemployment and economic difficulties as "a politically glorious thought."

"Especially for a minister of economy, it is sad to have to give them up. But I believe that it is necessary. We must work more and save more."

Bohman came to the conclusion that the downturn in the 1970's was due in large part to the ever-increasing role played by growth-inhibiting factors--detailed controls, the rapidly increasing burden of taxation, and a politically strong bureaucracy.

He did not want to deny the importance of the ideas of J. M. Keynes in the 1930's and later. But now the situation is different.

Borzel said, "What I have said does not imply unreserved support for monetary thinking. But my conclusion is that what is needed is a more liberal economic policy than the one that Sweden and many other industrial countries have pursued so far."

He mentioned that analyses are now underway to consider the effect of reducing marginal tax rates to 50 percent for almost all income earners. It has been found that in the case of a person earning 100,000 kronor, the government's "loss" as a result of that reduction would be offset if people's output increased by between 3 and 5 percent.

"He or she would have to work less than 2 additional hours a week for the reform to be self-financed."

And the conclusion drawn by the minister of economy was this:

"Something of an intellectual revolution has occurred in the democratic world. There has begun to be renewed recognition of the qualitative advantages of a market economy and an open society. There has come to be a less rigid view of people's need to have their own preserve--of their ability to take initiative and responsibility and make their contribution to growth and the development of welfare throughout society."

Risky Industry Subsidy Policies

Stockholm DAGENS NYHETER in Swedish 25 Feb 81 p 2

[Editorial by N.E.S.]

(Text) The so-called nonsocialist parties won the 1976 election on the promise that, among other things, they would pursue an economic policy with fewer regulations and more market solutions. In the years from 1976 to 1981, the nonsocialist government has invested about 52 billion kronor in industry, most of it in the form of special-purpose subsidies aimed at "saving employment." What standards and analyses were used in distributing those subsidies? What is the result?

That is how one can formulate the starting point for a book on "The Industrial Policy: Rules of the Game" by economists Nils Lundgren and Ingemar Stahl.

The objection can be raised that Monday morning quarterbacking can easily be unfair. The critic sits with the scores in his hand. But those who invested those billions in 1976 and 1977 were acting in the urgency of the moment. Sales were falling, the firms were going to their knees, and in the general misery it was hard to sort out the various reasons.

But a criticism of the lack of principles and analyses in those subsidies to industry is not altogether unfair. It was clear as early as the fall of 1976 that wage costs in Swedish industry had risen far too steeply. Expert economists criticized the exchange rate policy. But the government still delayed until the fall of 1977 before cutting the krona loose from the deutsche mark and devaluating properly.

In a general way, one can distinguish three factors in the economic crisis: an excessive cost level, structural crises in certain industries (shipbuilding and steel),

and a general economic downturn. Since the effects coincide on the whole, it is difficult to point to one factor or another in a specific case.

But costs are the key factor. If the firms face higher costs per unit produced than their competition does--and do not offset that with superior technology--sales will decline regardless of how the structural and economic situation looks.

Lundgren and Stahl show in their presentation how the government granted subsidies to protect employment when high costs had weakened the competitiveness of the firms. As a result, those subsidies fully compensated for wage costs that were too high and too rigid. The dangers are clear: subsidies preserve an antiquated industrial structure, obstruct mobility in the labor market, and make an excessive cost level permanent (firms and unions can both easily learn to allow for subsidies when setting prices and making wage demands).

Lundgren and Stahl outline a number of rules for industrial policy in the 1980's. Some examples: subsidies to industry should be limited and have a fixed time period to prevent people from becoming accustomed to them. Employment subsidies should be paid only after definite criteria and conditions as regards the wage level have been met. Groups facing unemployment should be protected through better labor market insurance and generous severance pay. When the government invests risk capital, private capital should be invited to participate in joint financing to insure control over the expected profitability. And so on.

There are strong reasons for such rules as those--they can steer the industrial policy more in the direction of expansion and less toward preservation. But the problem is that no ground rules can (or should be able to) force the politicians to follow the rules of the game. The pedagogical exposition of the subsidy policy as a game between various groups, which is what Lundgren and Stahl have provided, shows what weak respect there is for the rules of the economic game.

Nevertheless, it is recommended to Parliament and the Ministry of Industry that they read the book in question, preferably on some dark night when there is time for reflection.

SDP Changes Economy Stands

Stockholm DAGENS NYHETER in Swedish 28 Jan 81 p 2

(Editorial by S.N.I)

[Text] It is worthwhile to read the Social Democratic motion on economic policy in conjunction with the motion introduced by that party on the same subject during last fall's special session of Parliament. A shift has occurred that can almost be called a complete about-face.

In the motion presented to the special session, the party warned against the policy of economic restraints. It said that the value-added tax and selective tax increases meant that the government had given up its ambition to pursue a countercyclical policy and safeguard employment. Restraining the economy immediately before an economic downturn constituted "a sharp reversal of Swedish policy."

The government had justified its policy of restraint with the argument that private consumption was likely to rise sharply during the second half of the year. According to the Social Democratic motion, that was an extraordinary assumption—"such a course of events is improbable."

In yesterday's motion, criticism of the policy of restraint has disappeared, and instead, the chief accusation concerns the government's inability to check inflation. "We have maintained that restraint alone will not solve our problems." Alone! The earlier criticism is now being reinterpreted to mean something else--the absence of necessary additional measures and not restraint as such.

If the battle against inflation is now to become the most important thing, it will not do to simultaneously accuse the government of having pursued an excessively restrictive (that is, anti-inflationary) policy.

It can be said, looking back, that if anything the government should have adopted stiffer measures to combat excessive demand last fall. Private consumption rose by 3 percent--an annual rate of 6 percent--between the first and second halves of 1980. After the wage settlement, that was precisely what could have been expected. It was not an "extraordinary assumption."

There is a myth which says that the economic policy has thus far been especially restrictive. The big deficits and price developments show that on the contrary, it has been far too expansive. Now that the Social Democrats are thrusting inflation into the foreground, we ought to be able to have a more realistic debate.

Their motion contains a number of proposals for fighting inflation. The first is that various forms of indexing should be broken up. Attempts to "learn to live with inflation" are futile and only result in a worsening of inflation, it says.

The government has followed that advice to some extent in the case of pensions, an area where the Social Democrats want to restore indexing in full. On Blasieholmen the LO (Swedish Federation of Trade Unions) is negotiating concerning an agreement that will cover several years. The indexing of wages is said to be a central demand in those talks.

The indexing that the Social Democrats want to do away with involves primarily income taxes. But their own tax scale for 1981 goes farther in reducing taxes--1.5 billion kronor--than indexing would. Thus they are overcompensating the taxpayer for inflation.

Another of the 10 points reads simply: "reduce the budget deficit." Nothing is suggested for the coming fiscal year that would have such an effect. The party wants to change the budget at a great many points and claims that the net effect of those proposals on the budget balance is nil.

Reducing the deficit will therefore be a more long-term matter. The party points to taxes on production--in other words, higher payroll taxes--as a means of improving government finances. Employer contributions also seem to be the method chosen by the Social Democrats for financing a number of other things: a restoration of full protection against inflation in the ATP (National Supplementary Pension Plan), a general reduction in marginal tax rates, employee funds, and so on.

The scope for wages that may exist is thereby mortgaged to a great extent. At the same time, a main point in the anti-inflation program is that the government should lay "a good foundation for wage negotiations." It says that cost development should be "sharply reduced." When that has been done, inflation from abroad is to be compensated by successive revaluations of the krona upward.

It is a splendid idea, but before revaluations of the krona become appropriate, the firms will have to show that they are coping with the higher costs brought on by new employer taxes, and the wage earners will have to accept lower wage increases despite high current inflation. Moreover, the industrial firms at least ought to be allowed to increase their profit margins before the krona is revalued upward. Is that a realistic scenario?

Even with the best will, it is not possible to determine what it is in the Social Democratic action program that would reduce inflation in any appreciable way. There are abundant well-intentioned exhortations to coordinate actions, to tackle the basic causes, to break people's expectations of inflation, to stick to the anti-inflation measures over a long period, and so on. It is said that "inflationary increases in incomes and other benefits are not only senseless and misleading but downright harmful." How shrewd! A comment like that, delivered at the right time and to the right addressee, might actually have had some effect.

The change in theme from antirestraint to anti-inflation is occurring at the same time as the LO's surprising initiation of talks with the SAE (Swedish Employers Confederation) concerning an agreement covering several years. Both parties have a suitable background of social responsibility--of hands outstretched for cooperation--on the eve of renewed action in connection with employee funds--the fateful political issue for the Social Democrats in the 1980's.

Impact on Family Examined

Stockholm SVENSKA DAGBLADET in Swedish 17 Jan 81 p 28

[Text] Meet the Consumer Board's imaginary Konradsson family. It lives in Örebro and consists of two adults and two children--one 6 and the other 13 years old. The parents earn the average wage of an industrial worker, with the father working full time and the mother working part time. The family lives in a rented apartment, and the youngest child goes to a day care center.

Below is a table showing the family's imaginary expenses, the figures being those for July 1980. You can fill in your own budget and your actual expenses in the columns left blank.

Hard thinking and assiduous work went into the Konradsson family's budget.

In order to produce the figures for food, the Consumer Board's experts first prepared menus for 14 days based on the nutritional needs of the family's various members. The menus do not require any great deal of time or knowledge.

The actual food cost was worked out using the National Price and Cartel Office's average prices for the country as a whole, which are calculated twice a year. The remaining costs in the budget were those for goods and services in Örebro.

<u>Item</u>	Konradsson budget (as estimated by Consumer Board)
Income	6,020
Food	2,065
Household items	105
Health and hygiene	220
Clothing and shoes	555
Recreation	220
Furniture and appliances	280
TV, radio, and repairs	70
Daily newspaper, telephone	175
Electricity	70
Insurance	50
Housing	1,150
Child care	295
Auto and travel	930
Vacation	<u>265</u>
Total expense	6,450
Balance	(430)

In this budget, household items refers to the things we need for upkeep of the home and clothing. It includes, for example, dishwashing and other detergents, shoe polishing items, vacuum cleaners, and irons. The cost has been spread over the year.

Health and hygiene covers soap, paper handkerchiefs, lipstick, haircuts, and so on for each family member.

Clothing and shoes was a difficult item in the opinion of the Consumer Board. But it was decided to select a wardrobe that would allow for a variety of activities. No provision was made for hand-me-downs. The life of the clothing was calculated in terms of the total quantity of clothing, and no allowance was made for buying at bargain sales (this applies to the entire budget).

Recreation refers chiefly to the children's play requirements in order to develop. The family's leisure-time amusements include books, games, records, and so on.

In order to estimate the amount spent on furniture and appliances, the Consumer Board worked with domestic science advisers. The calculations were based on the floor space in the apartment (three rooms plus kitchen), which was furnished with practical and easily cared-for furniture. The calculation is very detailed, including even such things as Christmas decorations.

It is assumed that the Konradsson family has a color TV set, a stereo, and a portable radio that can be operated on house current or with batteries. The purchase and repair of these items is included under the heading "TV, Radio, and Repair."

The heading "Daily Newspapers and Telephone" logically includes a full year's subscription to a daily newspaper, the cost of occasional purchases of an evening newspaper, the cost of the telephone, and--somewhat unexpectedly--stationery.

The cost of the electricity is based on the average consumption for the floor space involved.

Insurance includes home and accident insurance.

Housing cost is calculated according to the normal rent for a modern three-room apartment in Örebro. The same applies to the cost of child care.

The Konradsson family does not have a car, but does take trips in connection with work, leisure, and vacations. Whence the heading "Auto and Travel."

The Konradssons set aside a monthly sum for vacations. They have no summer cottage.

The incomes are based on net pay after taxes, plus child allowances and a municipal rental allowance of 92 kronor per month.

The basic data showing how the Consumer Board calculates expenses for a family and its various members are available in a brochure entitled "Household Expenses." It can be obtained free of charge, in most cases from the consumer counselors in the various municipalities.

'Konradsson Family' Worse off Now

Stockholm SVENSKA DAGBLADET in Swedish 17 Jan 81 p 20

[Article by Eva Wrangé]

[Text] The Konradsson family is going downhill. The Consumer Board's imaginary ideal family is no longer coping financially!

The Consumer Board has known for half a year that its own cost breakdowns were collapsing. In July of last year the family's budget was already running at a loss of 430 kronor per month. Now, in January, the deficit is estimated at around 900 kronor per month. New taxes are expected in 1981, and at the same time it is uncertain whether it will be possible to keep real wages at their current level or whether they will continue to decline, as they have in wage settlements over the past few years.

So what can a family with children do to rescue its finances? Not much. Most families have already used up their extra funds. If they do not get help from their in-laws in the form of babysitting, homemade sweaters, or even a few thousand kronor, the only alternative in most cases is moonlighting or the exchanging of services. Today the hidden economy is estimated to account for 10 percent of the national product.

The finances of families with children make for gloomy reading. The head of the Consumer Board has approached the government's Family Finance Committee for a discussion of the situation. But no one holds forth much hope. There is no money. All one can do is redistribute the help among groups that are already in critical shape.

Perhaps families with children in the 1980's will become "the silent heroes of our time." We believe that the Konradsson family will still get by, but at what cost?

'Average Family' on the Verge of Ruin

Stockholm SVENSKA DAGBLADET in Swedish 17 Jan 81 p 29

(Article by Eva Wrangel)

(Text) The Konradsson family is the Consumer Board's imaginary average family. It consists of a father who works full time, a mother who works part time, and two children, who are 13 and 6 years old. The family has no car and is assumed to be living in Orebro. Its income is based on the average pay for industrial workers.

Working on those basic assumptions, the Consumer Board came up with a budget based on price information for October 1979, which it adjusted upward using the consumer price index.

But now the Konradsson family is going downhill. Even 6 months ago it was no longer coping with its finances. In July of last year it was going 430 kronor into the hole every month.

Tight Budget

And even so, its budget is tight. Food expenditures do not include confectionery, juice, beer, or soft drinks. Eyeglasses and visits to the doctor are not included under health and hygiene. Extras for sports and fur coats are not included under clothing. Pleasure boats, slalom skiing equipment, cameras, and musical instruments do not appear under recreation. The heading of furniture and appliances has no place for freezers, dishwashers, or washing machines.

The Consumer Board also compared its budget with the household budget survey that was made by the Central Bureau of Statistics (SCB) in 1978, in which the expenditures of 13,447 private households were examined.

Compared to that survey--and with the appropriate adjustments according to the consumer price index--the Konradssons' budget is a little too high in the case of food and health and hygiene, but definitely too low under the headings of furniture and appliances and recreation.

According to the household budget survey, we spend a lot more money on appliances, furniture, and recreation. A four-person household spends almost 1,000 kroner a month on recreation, according to the SCB, and that does not include travel. The Konradsson family sets aside barely 500 kronor per month for recreation (games, leisure, and vacations).

Deficit

Despite its tight budget, the Konradsson family was already showing a deficit of 430 kronor per month back in July of last year. Since then--for the remaining months of 1980--the consumer price index has risen by 7.2 percent, meaning that the Konradsson family's deficit has risen to 895 kronor per month. And new taxes are expected in 1981.

The first results of the agricultural agreement and the reduced food subsidies have already made themselves felt. And new increases are expected on 1 July. At the National Price and Cartel Office, it is expected that the price of staple food items such as milk, meat, cheese, flour, and bread will rise by 10 percent this year. At the same time, the Konradsson's budget is already being hit by higher oil prices and a general rent increase of 10 percent.

The higher child allowances and pay increases that may result from this year's wage bargaining will not cover the Konradsson family's higher expenses. Real wages have fallen for 3 years in a row, and employee earnings are expected to decline by an additional 3 to 4 percent this year.

LO economist P.O. Edin says, "There is not much for the Konradsson family to hope for in this year's wage negotiations. It would be an achievement if we managed to hold on to the present situation."

Reserves Used up

P.O. Edin says that the Konradsson family has already used up its financial reserves. Grandfathers or grandmothers have already supported the family as far as they are able, perhaps with savings or with homemade sweaters or their own applesauce. And all to cover the monthly deficit.

"Now the mother will have to start working full time, and the son will have to start working after school. And the family must reduce its consumption despite the already tight limits."

Carl-Johan Westholm of the Swedish Employers Confederation also takes a gloomy view of the Konradsson family's situation:

"There is a lot of talk about equality in today's society. But today it is the one who is in a position to 'arrange things' who is rewarded.

"The one who is in a position to exchange services and goods under the table is favored. According to some sources, the hidden economy accounts for 10 percent of our gross national product (from 40 to 50 billion kronor)."

Unreported Work

Carl-Johan Westholm says, "At first people reduce their consumption, but not enough to keep pace with the drop in their income. There is a possibility that the person who cannot manage financially will try to solve his problems by moonlighting."

But let us get back to the Konradssons, who already have a tight budget and little opportunity for earning extra income, and the Consumer Board. Until now the Consumer Board has worked with various models in an attempt to help people plan their finances and start looking at their money twice. But with the economic situation having deteriorated so rapidly, Sven Heurgren, the board's general director, has turned to the government, through its Family Finance Committee, to present the serious situation that is now a fact for most families.

Iven Heurgren says, "We have no specific proposals as to what should be done, but we want to discuss the problem."

The Family Finance Committee was set up in 1979 under the then Liberal Party government to overhaul support for families with children, with special attention being given to families with several children. It is expected to present its report by this summer. But the committee's view of the situation is not especially optimistic.

"No Room for Such Things"

Maj-Britt Grufberg, the committee's secretary, says, "Reforms cost money, and in today's tough economic situation, it is doubtful whether there is any room for such things."

Nor do the committee's terms of reference give it any great leeway. It is within the present framework of support for families with children that the politicians are to find a solution. The committee is playing around with child allowances, tax scales, food subsidies, and parental insurance.

So far the committee has discussed, among other things, the possibility of doing away with food subsidies and increasing child allowances progressively--that is, giving more money for each additional child the family has.

That would benefit families with several children. But then there would immediately be another group being treated unfairly, namely, single parents. And their situation is being investigated at the moment by another committee.

"Hopeless"

One tired committee member sighed, "As long as there is no extra money to spend, it is hopeless. It will just be a case of taking away from one needy group and giving to another."

In March the Consumer Board's experts are to meet with both committees. Then we will see what is going to happen to the Konradssons. Perhaps there is a political solution, or perhaps they will become what someone has called "the hidden heroes of our time," who against many odds succeed in getting through a recession.

'More Than Three Children: Economic Insanity'

Stockholm SVENSKA DAGBLADET in Swedish 17 Jan 81 p 29

(Article by Ingrid Lindgren)

[Text] "Having three or more children is economic insanity. To manage it, you need healthy children and parents and a marriage that can withstand the stresses.

"It is outrageous that society does not provide better information about the conditions for parents with several children."

The words are those of Anna, a mother of five in Stockholm whose husband is a highly paid university graduate.

Despite his income and the family's low standard of living, it is impossible to manage financially. But with money from the authorities, they at least come up to the subsistence level.

Anna does not even want to give her own name. She says that it might be bad for the children.

"Having poor finances is a painful thing. I have had bitter experience of that."

Deceitfulness

What Anna finds most remarkable is the deceitfulness of the authorities and politicians. They do not want to realize how rough things are for families with several children and how often inadequate finances lead to broken marriages.

"To think that society would even dare to stand for that, which is caused by today's tax system, housing allowance regulations that do not work for families with many children, and so on. The way it is now, it is seldom expected that a family will include more than two children. The tax reduction is the same whether you have one child or 10."

But Anna admits that a realization of how finances deteriorate as the number of children increases does not come until the crisis is a fact.

"Three children were all right. We had an inkling of the problem, but we did not believe our own feeling that things were getting rough.

"Then came the guilt feelings. Was it wrong for me to be at home with three children and not earning money to make ends meet? But after all, I was capable, I could keep house, keep a tight rein on expenses, sew, prepare inexpensive meals, and so on.

"But that is not enough--I have my own family as proof of that."

Shock

The shock came 7 years ago when Anna learned toward the end of a new pregnancy that she was going to have twins.

"Two more children on top of the three we already had, and when we could scarcely afford those three! But there are some things one cannot control."

Immediately after the fourth delivery, the feeling of catastrophe was still remote.

Anna explains that as being due to the attitude of doctors and nurses at the maternity clinic and the BB [expansion unknown]. They are all so positive, they give good simple advice on how to care for the newborn, and they take good care of mother and child. The economic realities are far away.

"None of them discussed the matter of money--they think everything is going to be just fine.

"One also needs advice and support when the children have passed the baby stage. But at that point, the same ready and willing help cannot be obtained. And that is when the children begin to cost money. And by the way, how can it be that the subsistence level works out to the same amount for all children regardless of their age?"

Criticism

Anna is very critical of how the regulations work:

"Just what is the subsistence level? I have asked myself that many times.

"In our case, there is a fight over every krona when we apply for an adjustment up to the subsistence level. For example, there is no possibility of being compensated for any extra expenses."

In addition, the family has now received an income tax notice amounting to several thousand kronor.

"How can that be? It must mean that even though a person is granted subsistence level support, he can still be hit with a tax balance due. And then it takes several years to get it straightened out by the county court of appeals. Shouldn't the authorities coordinate their proceedings better than that?"

A person can also go to the Social Welfare Board. Anna explains that there the assistance is immediately more generous. The schedules they use are more realistic.

But then other aspects of assistance come into play.

"They told us right out that we should separate in order to solve our problem!"

Separation the Solution

A separation would immediately have several--positive--effects. For one thing, the housing allowance would become a factor to count on, since the regulations favor those living alone with children. For cohabiting or married couples with children, it is impossible to get a housing allowance at present if one's gross income is high.

For another thing, the parent who has custody gets a child support payment from the other parent (who can deduct it in part on his income tax return).

"Is it really right that people should be forced to separate so that they can afford several children in today's Sweden?

"If you want to use the system cynically, the most profitable thing is to have a different father for each child."

With the information it had gathered, the family visited a budget counselor to find out if there were any possibilities that it did not know about.

And they got the same advice--they would have to separate in order to get the needed support.

But Anna did not give up. She began to work politically, as she had been urged to do by one of the many government employees she had come in contact with.

Visited Politicians

One politician after another was visited by Anna, who simply contacted them and explained that she wanted to discuss the situation of families with many children.

"It was all very impromptu. I talked to an endless number of people, from the minister of health and social affairs on down."

Anna gradually discovered a pattern: "Men find it hard to understand what it's all about. With women the situation is a little different. It takes 5 minutes, and then they say: 'What can we do?' And then we sit down and talk about solutions.

"I could sit with the men and explain the problem for over half an hour, and then the conversation would end with a pat on the shoulder--often with the comment: 'you will get through it all right.' Almost all of them tried to conjure away the problem by playing with figures."

"Sad Discovery"

Anna is honestly surprised at the difference.

"It was a sad discovery. And it makes no difference how well educated the men are or what position they hold."

Another thing she learned was this:

"You have to start early if you are going to change anything."

So until new regulations come along to relieve the burden carried by families with several children, she wants to warn everybody not to have more than two children.

"People must really sit down first and work it out with their finances. The truth may be a shock."

Family's 1980 Budget

	<u>Kronor</u>
<u>Income:</u>	
Net pay after taxes	6,000
Child allowance	<u>1,200</u>
Total	7,200
<u>Expenses:</u>	
Housing	1,600
Food (including household items)	2,200
Auto and other transportation	210
Electricity, telephone, TV	300
Insurance	100
Newspapers	125

Union dues	65
Pocket money (adults and children)	330
Health and dental care	340
Clothing and shoes	720
Babysitting	300
Toys and recreation	500
Furniture and appliances	160
Savings (for vacations)	250
Total	<u>7,200</u>

11798
CSO: 3109

FIGURES GIVEN ON WORKERS IN ARAB COUNTRIES**Istanbul HURRIYET in Turkish 10 Mar 81 p 3**

[Text] It has been determined that there are 75 thousand Turkish workers in Arab countries. According to figures of the Job and Worker Placement Association and construction companies that have won major contracts in Arab countries, Iraq pays our workers the highest wages among Arab countries. These construction companies have won several new, major contracts in 1981 and have decided to increase the number of workers to be sent to Arab countries. It has been noted that in this regard foreign firms with major contracts in Arab countries are tending toward the use of Turkish workers. The fact that Turkish workers are so accommodating has been cited as the reason. It has been determined that Turkish workers in Arab countries receive a net salary between 38 thousand lira minimum and 50 thousand lira maximum. It has also been stated that wages in Arab countries are gradually on the rise and that Turkish workers are gradually becoming powerful groups as a result of the money they deposit in banks. Labor Ministry officials stated that workers in Iraq receive the highest Arab wages. The officials also said that major construction work will be undertaken by Iraq after the war and that this will consequently bring an increase in the demand for foreign labor.

The wages of Turkish workers in Arab countries are given below by country:

<u>Country</u>	<u>Net Wages</u>
Iraq	50,000 lira
Saudi Arabia	43,700-44,200 lira
Kuwait	42,000-45,000 lira
Libya	40,000-42,000 lira
Jordan	37,000-38,000 lira

CSO: 4907

'AFTENPOSTEN' ON DELIBERATIONS OF NORTH EUROPE SDP MEETING

LD241005 Oslo AFTENPOSTEN in Norwegian 16 Mar 81 p 26

[Report by Aasmund Willersrud: "Positive Signals From Moscow/Washington"]

[Text] "They are new and encouraging signals of a desire for nuclear arms negotiations which have come from both Washington and Moscow recently. West European Social Democrats attach great importance to the expression of our joint views, since this gives us a chance to influence the policy which the Reagan administration is now obviously in the process of shaping," Norwegian Labor Party chairman Reiulf Steen said after the Social Democratic meeting in Oslo at the weekend.

Thus it was cautious optimism which was expressed by the Social Democratic leaders from Belgium, the Netherlands, West Germany, Britain, Denmark and Norway, after the informal talks which in the main concentrated on the possibilities of negotiations between the United States and the Soviet Union on the tactical nuclear arms in Europe. "We are agreed that there is an urgent need for negotiations to begin as soon as possible to prevent an arms race in Europe," Netherlands Labor Party chairman Joop Den Uyl said.

He stressed that it was important to send signals both to Washington and Moscow about this. Those taking part in the meeting also agreed that the proposals for negotiations which President Leonid Brezhnev made in his speech to the party congress in Moscow must be given serious consideration, and there was satisfaction with the stated U.S. desire to begin preparations within the NATO context.

At a press conference after the meeting Reiulf Steen announced that the next round of talks will take place in Brussels in May, they will coincide with the NATO Council of Ministers meeting, and the Social Democratic parties obviously see in this a chance to make their views known, even though Steen rejected the suggestion that there will be any lobbying.

Among the Social Democratic parties which took part in the Oslo conference opinions are divided on NATO's so-called double resolution from the fall of 1979 on the modernization of the nuclear arsenal in Europe and negotiations with the Soviet Union. In a resolution the Netherlands Social Democratic Party has come out against the deployment of the new missiles, and a similar resolution will probably be adopted shortly by the party in Belgium. The West German representative at the meeting, former SPD Secretary General Egon Bahr, said that West

Germany will stand by the NATO resolution and suggested that many conditions requiring the deployment of the missiles could have changed during the course of negotiations before 1983 arrives, when the deployment is planned to commence. But it is well known that there are also strong groups within Bahr's party which oppose the NATO resolution.

The question of nuclear-free zones in the Nordic area, which was an important topic at the informal meeting between Social Democratic leaders in Amsterdam 2 months ago, remained in the background at the weekend's Oslo talks. Reiulf Steen said that the proposal for a zone in the Nordic area fixed by treaty could in principle be used as an argument in a negotiating situation to accelerate arms limitations in Europe. The Central European NATO nations have in the past shown moderate interest in the idea of nuclear-free zones. In an interview with AFTENPOSTEN Egon Bahr said that such zones in a broader European context are not a realistic alternative, partly because the whole of the defense structure in Central Europe is based on the assumption that nuclear arms could if necessary be used in an attack situation. Reiulf Steen also said that he expects the Labor Party National Conference to give its support to the formulation which has been given to the proposal for nuclear-free zones in the Nordic area.

In connection with developments in El Salvador the Social Democratic leaders were agreed in giving full support to a negotiated political solution in which the leftwing alliance under the leadership of Guillermo Ungo must play a central role.

The meeting between the Social Democratic leaders did not adopt any resolutions or formal statements, and the informal nature of the talks was stressed. The parties have found this type of talk on topics of common interest extremely fruitful. Dutch party chairman Joop Den Uyl said that the Oslo meeting was an important step forward over the previous meeting in Amsterdam. At that meeting, there had been the feeling of pioneering activities, but in the meantime there have been positive moves from both Washington and Moscow which make the situation seem brighter now, Den Uyl said. He also said that these informal meetings will continue to be an expression of an initiative from the small NATO nations, even though representatives both from Great Britain and West Germany took part in Oslo. Invitations to French and Portuguese representatives are also being considered for the meeting in Brussels in May.

CSO: 3108

PQ ELECTION PROSPECTS IN MONTREAL, ELSEWHERE ANALYZED**Discontent in Montreal**

Montreal LA PRESSE in French 7 Mar 81 pp A 10 - A 11

[Article by Louis Falardneau]

[Text] The situation might seem paradoxical, but everyone nevertheless agrees: it is in Montreal, its first stronghold, that the Quebec Party [PQ] is doing most poorly on the eve of the general election.

This situation first appeared in the referendum: whereas in 1976 the PQ took 17 of the 31 districts on the island, "yes"-voters were a majority in only three of them on 20 May last year. And surveys since that time, to the extent one can rely on them, have only confirmed the sovereignist party's decline in popularity.

A series of factors could explain this phenomenon. Many are traditional and are valid throughout the province. There is talk of unpopular reforms, abuse of power, technocratic abuses, unemployment, and inflation. But those reasons seem largely offset in the country by positive aspects (the popularity of some reforms, those of Rene Levesque), so that it is not obvious at all that the PQ is losing momentum.

So there are factors unique to Montreal. The first is economic and relates to its decline as a metropolis, while the west pulls ahead. This has resulted in Montreal residents having felt the effects of recession longer and more harshly. The building crisis, for example had much more serious consequences there than elsewhere. The government did little for Montreal, and its present haste seems very tardy.

But there is a still more important factor, which relates to the ethnic geography of the metropolis and the total inability of the PQ to make a significant breakthrough in the nonfrancophone electorate. This factor already existed in 1976, but the governmental party at that time benefited from one of those historical accidents that never recur. The Union National [UN], transformed for a short while into the champion of free choice of language of instruction, received the support of a large percentage of the nonfrancophone vote, thereby making the victory of PQ candidates possible.

Let us see how the situation presents itself this year. The island of Montreal presently has 33 districts, Marquette and Viger having been added in the re-carving of the electoral map. If one applies the 1976 results to the new map, there are 19 PQ representatives, 13 Liberals and one Unionist, since the two new districts would have elected a sovereignist candidate.

In the West

Let us quickly account for the fate of the 13 Liberal districts. They are all situated in the center (Saint-Louis) or in the west, and all have a sizeable percentage of nonfrancophones which varies from 41 percent (Outremont) to 90 percent (D'Arcy McGee). They all voted a solid "no" on the referendum. With the exception of Outremont (64 percent), all of them gave more than 73 percent of their support to Mr Ryan's option.

The PQ, therefore, is behind from the start, especially since nothing (neither polls, nor the results of the partial election in Outremont) indicates that it has made any significant progress with the nonfrancophone electorate.

The same reasoning holds for the former district of Pointe-Claire, now Nelligan. In 1976, Unionist Bill Shaw surprised everyone with his victory. At that time he benefited from the anglophone anger at Law 22 and from his party's commitment to restore free choice. Since then, the UN has changed its opinion, and Bill Shaw has rejoined the Liberals, even though he was unable to win the nomination. Everything leads to the conclusion that his former voters have also returned to the PLQ (Quebec Liberal Party), so there is no doubt 13 April will see a Liberal victory.

Marquette

If PQ supporters and Liberals are in close agreement on that analysis, they do not seem in such close accord when it comes to Marquette. Situated in the west, (Ville La Salle), this district nevertheless has a francophone majority (68 percent). If one applies the 1976 results, one gets 10,700 votes for the PQ, 8,300 for the PLQ, and 5,000 for the UN. In the referendum, only 38 percent of the votes went to the "yes" side.

One finds the same situation in six other districts that voted for the PQ in 1976: Sainte-Anne, Saint-Henri, Viau, Jeanne-Mance, Bourassa, and Viger. In each case, the PQ won without having an absolute majority of the votes, thus benefiting from the relatively good showing of the UN because of the nonfrancophone vote. Also, in every case the "yeas" were clearly beaten, obtaining between 31 and 34 percent of the votes, except in Saint-Henri (40) and in Bourassa (43). All those districts have a high percent of nonfrancophones, varying from 22 percent (Bourassa) to 40 percent (Viger).

Saint Henri and Bourassa

Can the PQ keep its seats? Almost all the PQ leaders whom we have met concede Viau, Viger, Jeanne-Mance and Sainte-Anne, at least in private. The first is really not francophone enough. The others also suffer from the same "problem," though to a lesser degree. And the last two are represented by deputies who have not done much of anything in office.

But they have some hopes for Marquette and especially for Saint-Henri and Bourassa. In that latter district, Deputy Patrice Laplante explains his lack of success in the referendum by the fact that he barely campaigned, as he was just then recovering from a serious illness. He has since recovered his health, and promises a lively fight. He hopes to make a breakthrough in his district's sizeable Italian vote. He spared no effort, however, to obtain governmental assistance for the victims of the earthquake in the Naples region and he has done everything possible to help his constituents of Italian origin.

In Saint-Henri, where former immigration minister Jacques Couture was elected, the PQ is relying heavily on its new candidate, Leo Cormier, who shows the same qualities as his predecessor: a social dynamo very active in community movements, somewhat leftist, unpretentious, and accessible.

The Liberals see themselves gaining everywhere and do not veil their optimism. "We will have to work," says Pierre Bibeau, their chief organizer. "But these are districts that the PQ cannot win. One has only to look at the results of the referendum." Perhaps Bourassa worried them a little. So there they are running a prestigious candidate in the person of Dr Augustin Roy, long a major figure in the medical profession. But the concern is not great, since Roy will allow himself to abandon Bourassa during the campaign to perform a few short rounds with his chief.

Mercier

The 12 other districts, all situated in the eastern part of the island, gave an absolute majority of votes to the PQ in 1976. But then there had been a PQ ground-swell fed by tremendous dissatisfaction with prime minister Robert Bourassa and his government. That factor no longer exists, and in the referendum the "yes" votes carried only Saint-Jacques, Maisonneuve, and Sainte-Marie, Plus Lafontaine, if the 1976 results are applied to the new district.

Here again, there is a significant number of nonfrancophone voters. It can be observed that the percentage of nonfrancophone voters still runs parallel to the percentage of "no" votes in the referendum. This is true, with one near exception: Mercier, the district of Gerald Godin, the minister of immigration, who defeated Robert Bourassa in 1976.

Considering that it is 34 percent nonfrancophone, it should have gone 33 or 34 percent "yes." Now Godin surprised everyone by garnering 45 percent of the vote for his party. (This percentage, like all the others, is applied to the new district. And the minister was not hurt by the redistricting, since a big liberal section from Outremont was added to Mercier.)

That unexpected outcome assuredly relates to several factors, but the most important of them is naturally the personality of Godin himself. He is described as unpretentious, accessible, close to his constituents and effective. And then, he has always played the role, within the PQ government, of goodwill ambassador to the anglophone communities of Quebec and Canada. This has led him to be generally very moderate in his rhetoric, which helps him get support from the very big Greek community in his district. He has also made substantial efforts to build bridges to that minority, and his promotion to the ministry of immigration has made that task easier.

The Liberals therefore do not consider him easy to beat, and they are going to have to take their chances. They have not, however, chosen either a Greek-origin Quebecois or a well-known personality to run against Godin, but an ambitious young attorney, Yves Beriault.

Saint-Jacques

Of the other districts, the PLQ is conceding only Saint-Jacques to the PQ. They succeeded, during the referendum campaign, in building the rudiments of an organization, but that will not be sufficient to beat Claude Charron. Already solidly in the saddle, he took advantage of the redistricting to improve his position.

The position of his colleagues Bisson (Sainte-Marie), Laurin (Bourget), Leger (Lafontaine) and Johnson (Anjou) also seems very solid. The Liberals have chosen (and did they have a choice?) not to run well-known personalities but rather young candidates, whom Pierre Bibeau describes as good "campaigners."

The situation seems more difficult for two ministers of the Levesque cabinet: Guy Tardif, in Cramahe, and Jacques-Yvan Marin, in Sauve. The two districts are 19 percent nonfrancophone, and 56 percent of them voted "no" on 20 May. The Liberals are also running credible opponents against them.

Minister Morin will confront an old adversary, Jacques Mongeau, who was head of the federation of school commissions when the municipal tax reform affected them. Tardif's opponent, Gilles Perron, is less well known, but this engineer is described as of ministerial caliber.

The deputy from Rosemont, Gilbert Paquette, saw his district become a little less francophone (82 percent) and its poor showing in the referendum (44 percent) is troubling. In Gouin, a young PQ organizer, Jacques Rochefort, is trying to take the place of Rogrique Tremblay, the turncoat ex-minister. Already campaigning for more than 6 months now, he will not be easy to beat.

There remain two special cases: Dorion and Maisonneuve.

Mrs Payette carried Dorion handily in 1976 despite the large percentage of non-francophones (24 percent). The referendum was catastrophic: only 42 percent voted "yes." There are many in the PQ who take the reasons given by the minister for not running with a grain of salt. They believe instead that she knew herself to be defeated in advance in a county she had neglected.

All the same her departure hurts, and it does not appear that a well-known personality can be found to replace her. The only consolation, according to PQ supporters, is that the Liberal candidate is not very formidable. This is the former Quebec head of the MPD [New Democratic Party], Jean-Francois Gautrin, who became a convert to liberal conservatism during the referendum campaign. As a candidate of the NPD-MRS (a minuscule group of extreme leftists) in Mercier in 1976, he won a grand total of 139 votes.

As for Maisonneuve, this district will take on symbolic significance during the campaign. PQ supporters are going to do everything possible to recapture what has long been considered as their stronghold. The liberals for their part will want to

repeat their feat in the partial elections. And as certain as they are of a triumph for the grandeur of Quebec, Claude Ryan's partisans want to crown their victory by grabbing the most francophone district of Montreal.

As one can see, the PQ is in a poor position in the Isle of Montreal, if the results on 13 April resemble those on 20 May. But will it be like that?

Yes, if the sovereignist-federalist polarization observed in 1970 and 1973 is repeated this year. The PQ is going to do everything possible to avoid it by avoiding talk of sovereignty and by promising not to hold a referendum during its term. But one may expect that the Liberals will do everything possible, by contrast, to see that separation is the issue in the election.

"It is quite possible," says Pierre Bibeau smiling. "But that is going to be a little more difficult for there are going to be three federalist parties! But there will be a way, all the same."

PQ Gaining in Laval, Rive-Sud

Montreal LA PRESSE in French 7 Mar 81 pp A 10 - A 11

[Article by Louis Falardeau]

[Text] When PQ supporters admit that they are having problems in Montreal, that they might lose as many as 10 or 12 districts there, they always add in the same breath: "Yes, but we will make it up in Laval and Rive-Sud."

In 1976, the PQ won in two of the three urban districts of Laval and in eight of neighboring Rive-Sud.

This year, that region has been enriched by five districts, two in the north (Vimont and Laval-des-Rapides) and three in the south (Marie-Victorin, Bertrand and Vachon). If one applies the 1976 results to the new map, Rene Levesque's party would have added five victories to its trophy list. But to go from there to the conclusion that the PQ will make up for all or part of its losses in Montreal by five wins in the neighboring suburbs, is a big step.

Let us look at the situation in more detail.

In Laval

Already very pro-liberal, the district of Jean-Noel Lavoie, Chomedey, is even more so with the new map. It is therefore not in any danger, and the PQ seems to be conceding it victory.

PQ supporters are elsewhere very solid, in Laval-des-Rapides, Vimont and Mille-iles. Minister Bernard Landry chose the first, from the most pro-PQ part of his old district of Fabre. He can rely on a solid foundation of the 47 percent "yes" vote in the referendum, on his personal popularity which is certain, and on a solid organization.

The situation is similar in Vimont and Mille-Îles, even if the candidates are less well known. In the two districts 48 percent voted "yes" in the referendum.

Finally, the three districts gave absolute majorities to the PQ in 1976 and are 90 percent francophone. So these are seats which the party should normally take, and if it did not make a net gain there, we would probably be witnessing a liberal groundswell that would sweep the province.

The PLQ chose its candidates last fall in order to give them as much time as possible, given the steepness of the slope it has to scale. On the other hand, it was not successful in convincing highly prestigious people to enter the contest, and had to content itself with local notables.

The PQ's situation is also far from being desperate in Fabre. But the district is less francophone (83 percent) and only voted 43 percent "yes" on 20 May. The PQ candidate, Michel Leduc, is a young veteran militant who gave a hard fight to Jean-Noel Lavoie in Chomedey, in 1976 (with the help of the UN).

Rive Sud

If it indeed seems that the north is looking good for the ministerial party, it is quite otherwise for Rive Sud, where as in other instances many districts were won in 1976 by virtue of that accident of history which was the marriage of convenience between the National Union and the anglophones.

The redrawing of the electoral map had the effect of creating three PQ strongholds: Marie-Victorin, Taillon and Bertrand. They were formed out of the most pro-sovereignist and highly francophone parts of the former districts of Laporte, Taillon and Chambley, so that Pierre Marois, René Lévesque and Denis Lazure do not seem to be taking much of a risk in running there. This is especially true since in the referendum the "yes" side won three convincing victories.

Vercheres is also a district that the PQ must win if it wants to stay in power. It is 88 percent francophone, and voted 47 percent "yes" in the referendum. Even his opponents acknowledge that Jean-Pierre Charbonneau is a good deputy, who has worked unstintingly for his constituents, and most often successfully.

His opponent, Michel Gaudette, is a young man reportedly in the same mold as Charbonneau, and the Liberals say that he will be able to make a good fight of it.

The district of Beauharnois, however, though also very francophone (94 percent), seems less solid for the ministerial party. The incumbent deputy has not made much of an impact and his total in the referendum was disappointing (43 percent).

If, as has been said, the PQ has built itself three strongholds, it has done so to the detriment of other districts which find themselves more liberal and more anglophone.

This is the case in Vachon, for example, where the PQ hopes to elect its first anglophone deputy in the person of David Payne. Formed from half of the old district of René Lévesque it is 23 percent nonfrancophone. One must not allow oneself to be overly impressed by the very strong majority obtained by the PQ in 1976,

or by its relatively good score of 47 percent in the referendum: Rene Levesque was a candidate then and subsequently a deputy.

The new county of Chambly is still worse, being 75 percent francophone and only voting 42 percent "yes" in the referendum. As for Chateauguay, Laprairie and Laporte, the situation appears nearly catastrophic for the ministerial party. There one finds large proportions of nonfrancophones (40 percent in Laporte) and the referendum results varies between 35 and 40 percent.

The situation does not appear much more rosy for Mrs Guerrier, of Vaudreuil-Soulanges. She is facing a credible opponent in Daniel Johnson Jr. Her district, moreover, is only 74 percent francophone, and the "yes" vote was a disastrous 36 percent in the referendum.

Thus it is not on the Rive Sud that the PQ can hope to make gains. On the contrary, it could consider itself fortunate if it keeps eight seats. The liberals are ready to wager that it will be they, instead, who are able to elect eight deputies!

Nonfrancophone Electorate Neglected

Montreal LA PRESSE in French 7 Mar 81 pp A 10-A 11

[Article by Louis Falardeau]

[Text] The PQ's big mistake may well have been almost totally neglecting the nonfrancophone electorate. Is it not the author of its own unfortunate predicament, as a result of which it is starting with a heavy handicap in the majority of districts?

Gerald Godin, deputy from Mercier and minister of immigration, pleads guilty, but with explanations. Other PQ leaders acknowledge privately that the party and the government made a serious error which will take a long time to correct.

And some are troubled, such as this militant who says: "Whichever Party ends up the victor in the election, this anglophone-francophone polarization augurs no good. It could lead to a re-emergence of latent racism and poison the climate."

In the past, in 1970, in 1973, and above all in the referendum, PQ supporters were strongly tempted to explain defeat by the almost complete opposition of the "anglos." Even Rene Levesque ventured out into that minefield before and after the referendum.

And, moreover, it is true. The PQ never gets more than 2 or 3 percent of the anglophone vote, or more than 10 to 15 percent of the other nonfrancophone vote. It could be, in fact, that the anglos will hand Ryan the victory next month.

But the question is why the party and especially the government have done practically nothing to attract nonfrancophone supporters, except for those apparently excellent measures which were not announced until the eve of the election, even though they had been prepared long beforehand and implementation could have already been under way.

It would seem that this is basically because there was no way to win over the opponent, as the whole PQ seemed to say in chorus after the bitter defeat of 1973. Since then, it has in fact been satisfied with a few flirtations on the eve [of elections] and during the electoral campaigns.

It is true that the situation was not the one easily ameliorated, either before or after Law 101. One might also concede that probably nothing can be done with the anglophones so long as the PQ remains a sovereigntist party. Rene Levesque's party is not going to carry Westmount or D'Arcy McGee anytime soon.

But the other nonfrancophones are not as impenetrable. They do not have the same reasons to fear Quebec's separation or francification. PQ supporters recognize, moreover, that they vote less solidly against them, and that work with them bears fruit.

However, the party has barely begun to concern itself with them. There is no one in the prime minister's cabinet who is specially responsible for building ties with the various communities, for dealing with their problems. In the party, one staff worker devotes a part of his time to it.

"We were very naive," recalls Gerald Godin. "We did not understand them. There was no question of creating ethnic divisions within the Party, that would have had a racist air. We are all Quebecois. But in fact that is what they wanted. They are proud of being Italian, for example. It gives them "added-value." We finally established ethnic sections, and it was a great success."

The misreading of these groups led the PQ only to deal with those who came to the party, and who were generally leftists, attracted by the social-democratic side. But also [they were] people who represented a small minority, often people who were marginal in their community. That had the effect of estranging the party still further from the majority of those people.

Jacques Coutre's move to [the ministry of] immigration, his humane and depolitized administration of that ministry, did much to attenuate tensions, build ties, and improve mutual understanding. His successor, Gerald Godin, wants to continue along the same road.

More highly politicized, or at least more partisan in any case, he sees his interests there. His district is 20 percent composed of Quebecois of Greek origin. He has learned some Greek and has been made an honorary member of the community. He has heard it said that a Greek committee outside the parties was being formed to support his candidacy.

He has learned to work with them and first of all to understand them. He knows now that he must stand above the various and often competing associations, and above all that by choosing one he would very probably incur the rancor of all the others.

Is this going to translate into electoral results? He is knocking on wood between now and election night. But the fact, for example, that at least four citizens of Greek extraction have announced their interest in the PQ nomination in the

neighboring county of Laurier seems to him a good sign. And the next president of the PQ's Greek committee could well be bilingual--in Greek and English!

Other deputies, for their part, have made similar efforts, particularly Patrice Laplante in Bourassa. Those who have neglected to do so may regret it bitterly.

But Godin and the others are not expecting miracles. It is a long-term effort, which may take 4 to 5 years to bear fruit. But it must be done, says the minister. "Those people have seen blue, and then red. They can become PQ-ists."

Tough Fight in Maisonneuve

Montreal LA PRESSE in French 7 Mar 81 pp A 10-A 11

[Article by Louis Falardeau]

[Text] The district of Maisonneuve, reputed to be an impregnable PQ fortress at the time when Robert Burns was its king and master, but taken away by the Liberals at the partial elections held to replace him, will be the object this time of a very harsh struggle, envenomed by the symbolism which is attached to this county which is more French than any other in Montreal.

Both PQ supporters and liberals are absolutely determined to carry it, the former in order to avenge their honor and to drive away the bad dream of 14 November 1979, the others in order to prove that their victory then was not accidental, that instead it marked the beginning of the end.

George Lalande, the liberal deputy, overflows with optimism. He does not see how he could lose. When it is pointed out to him that the "yeas" carried the district by a little more than 300 votes in the referendum, he has a ready-made response. His organization was a little too naive and was undone by the unfair tactics of the PQ. "They stopped the voting in temporary polling places in order to prevent the old from voting. And at polling place 5, where I had a good majority in 1979, the ballot teller signed both parts of the ballot so that all except one were annulled."

In fact the tally at that polling place reads as follows: "Yes," no votes, "No," one vote, and 220 annulled ballots.

Mr Lalande, who has acquired much conviction since his election, also speaks of the economic problems of the county, of discontent with the new construction regulations, the "thousand hours," the regional employment priority, and the east-west highway which remains waste ground. "People do not understand that the demolition work has started at this end while the construction begins at the other end."

His opponent does not frighten him. "She is not well known here. And those who know her have heard it said that she is a socialist, a communist, and that disturbs them. But I do not spread such rumors..."

His opponent does not frighten him. "She is not well known here. And those who know her have heard it said that she is a socialist, a communist, and that disturbs them. But I do not spread such rumors..."

His opponent is Louise Harel, a young lawyer who has done her apprenticeship in the party. Three years as vice president of the Montreal-Centre region, 5 years as president. Vice president of the party since the last congress when she was elected in spite of Levesque's opposition.

There are many reasons for the 1979 defeat, according to her. The metro strike certainly. But also the split in the party when Michel Bourdon, her husband, was defeated at the convention of Jacques Desmarais, whom Levesque was accused of having unduly supported. In any case the Bourdon team did not join up, and the PQ lost by 4,000 votes.

This year, at the convention, Harel beat the man who had been Desmarais' organizer in 1979. He closed ranks and he was in the committee when we passed through. For the committee is already in place and the candidate spends half her days there.

What arguments will she employ against Lalande? We will recall that he refused, like the other Liberals, to associate himself with the move to oppose the Trudeau plan to repatriate the constitution. That the Liberals voted against many bills that were very popular in Maisonneuve: law 101, the law on automobile insurance, health and safety, the housing code, etc. And if he speaks of the east-west highway, it will be pointed out to him that it was the liberals who destroyed 1,200 housing units to build it.

The two candidates insist on the nationalism of the Maisonneuve voters. Lalande, who has spoken a great deal about it in opposition to the linguistic policy of his party, says that he undertook that campaign out of conviction. "But it is certain that this cannot hurt, in a nationalistic county," he also adds.

PQ Could Lose in Bas-du-Fleuve-Gaspesie

Montreal LA PRESSE in French 7 Mar 81 pp A 10-A 11

[Article by Claude-V Marsolais]

[Text] On the eve of general elections, the political situation in the Bas-du-Fleuve-Gaspesie region, which extends from Montmagny to Iles-de-la-Madeleine, appears somewhat precarious for the Quebec Party, which holds six of the nine counties in the region.

In fact, one must recall that in 1976 the PQ only received an absolute majority in two counties, Rimouski and Matapedia, and that it only succeeded in winning in four other counties because of the hard fight waged by the Union National.

Now the weakening of the UN in conjunction with the disappearance of the creditist party of Mr Samson is very likely to favor the Liberals and to swallow up the presence of the only Unionist deputy in the region, Mr Michel Le Moignan, of

Gaspé. One must also mention that in the referendum the "nays" were victorious everywhere except in Rimouski county, where the "yeas" received 53.1 percent of the vote.

The redrawing of the electoral map substantially affected only two counties, Kamouraska-Temiscouata and Rivière-du-Loup, which are represented by PQ deputies elected by slim majorities. Three other counties, Bonaventure, Matapedia and Matane, exchanged several dozen voters, without for all that changing the proportion of the vote each party received in 1976.

It goes without saying that the struggle waged by the UN in a region where traditionally it has a solid base, as well as certain unique situations (popular discontent with elected officials or the government administration) will be decisive elements in this electoral campaign.

The Situation In The Counties

Montmagny-L'Islet: This county, which contains 32,306 voters, has been represented by Liberal deputy Julien Giasson since 1979, and he enjoys a certain popularity among his constituents. In 1976, he carried the county by 2,370 votes over his principal opponent, the Unionist candidate. In the referendum, the "no" forces crushed the "yes" forces by a vote of 16,348 to 10,052. Presently, only the Union National is running a candidate against him, Mr Jean-Pierre Caron, a party researcher who is carrying out a strong recruitment campaign. As for the PQ, it is still looking for a candidate to represent it in the election.

Kamouraska-Temiscouata: This new county, with the edition of numerous parishes belonging formerly to the Rivière-du-Loup county, contains 34,288 voters living in rural areas. The county is represented by Leonard Levesque of the PQ who, once the 1976 results took effect, enjoyed a majority of only 258 votes. In the referendum, the "nays" carried the county by a 3,354 vote majority. The UN, which had cut a fine figure in 1976 by receiving 5,304 votes, hastened to name Mr Jean-Luc-Dion, an agronomy technician, to represent it at the next election. As for the Liberals, they must choose a representative from five aspirants at an investiture assembly at Sully on 15 March. The party is praying to heaven that disunity will not dash its hopes to take the county, well known for its narrow-mindedness.

Rivière-du-Loup: with a transfer of 2,821 to Kamouraska-Temiscouata county, the new county of Rivière-du-Loup has no more than 28,672 voters. The position of PQ deputy Jules Boucher there is precarious, since the 1976 results transposed to the new boundaries show that his majority is no more than 956 votes. Similarly, in the referendum, the "nays" carried the county by 13,148 votes to 10,117.

Presently, Mr Boucher has no formal opponents, but that should not be long in coming, considering that the Liberal Party there got 6,842 votes in 1976 and the Union National 4,882.

Rimouski: This district, which has 38,056 voters, seems to be a PQ bastion with the current deputy Mr Alain Marcoux. Having received a 5,146 majority in 1976, and a "yes" majority in the referendum, the PQ does not see any problems in the upcoming polling. The Liberals have not yet found a candidate to represent the party, and only the UN has designated its contestant, Mr Maurice Bouillon, a school administrator.

Matapedia: with 25,098 voters, the county is boiling in the wake of the "paper-mill" affair. Though he enjoys personal popularity the PQ deputy, Leopold Marquis, is liable to see his comfortable 5,458-vote majority of 1976 passably reduced by the dissatisfaction of the populace, which will benefit the unionist candidate, Eudore Allard, former creditist deputy to the federal [legislative body]. The Liberal Party, represented by Mr Aldeé Lévesque, sees little hope.

Matane: it seems that minister Yves has consolidated his position in this county of 30,294 voters by announcing the construction of a second paper-mill in the town of Matane. In 1976, he cut a fine figure with a majority of 2,684 votes, while in the referendum the "yeas" had received 47.5 percent of the votes. The PQ should thus carry it, even if the Liberals dream of running ex-minister Rodrigue Tremblay there, and the UN is vacillating between two potential candidates.

Gaspé: in this county of 31,425 voters, Unionist Deputy Michel Le Moignan should doubtless not rely on prayers alone to keep the county. In 1976, he was only elected by a 420-vote majority, and thanks to the support of anglophones dissatisfied with the Bourassa administration. Presently, he has no declared opponents, but this is only a question of time, since the PQ and the PLQ gave him a very hard fight in 1976, each receiving more than 7,000 votes. Considering that the "yeas" received 10,435 votes in the referendum, against 14,931 "nays" the prospect of a 3-way struggle could entail several surprises in the upcoming election.

Bonaventure: this county of 26,994 voters has been represented for 25 years by Gerard-D. Lévesque, a Liberal. All indications are that the voters will remain loyal to him even if he is beginning to be faulted for his prolonged absences from the county and his PQ opponent Claude Martel the mayor of Caplan, is increasingly serving as a link between the government administration and the voters. The referendum results--14,715 "no" votes against 7,308 "yes," should give him confidence even with the prospect of a 3-way struggle if the UN manages to turn up a candidate.

Îles-de-la-Madeleine: The smallest county in the province, with 9,292 voters, is represented by PQ deputy Denine Leblanc-Banty, who was unsuccessful in persuading the majority of citizens of Madeleine to vote "yes" in the referendum. Though she only won by 60 votes in 1976, her chances of winning remain very good, because of the "salt mine," a project given high priority by the government, and because of the split in the Liberal vote with the arrival on the lists of an independent Liberal candidate.

9516
CSO: 3100

BRIEFS

REMARKS BY SOFIANOS--Ex Minister of Education Dr Sofianos yesterday said the reason he refused to resign as a Minister in spite of his disagreements with President Kyprianou was because his stay was demanded by "the overwhelming majority of the people." His resignation was demanded by Eoka B and the extreme right, he said. Dr Sofianos issued the statement, as leader of the PAME party, in reply to a government statement which said his criticism of the President's decision to allow Nicos Sampson to go abroad for treatment is misplaced since he himself was a member of the cabinet at the time. The former Minister said he disagreed with the decision but did not think he should resign because if a Minister resigns each time there is lack of unanimity in the cabinet there would be constant reshuffles. [Text] (Nicosia CYPRUS MAIL in English 6 Mar 81 p 1)

ATTACKS AGAINST KYPRIANO--The President of the Republic will continue his efforts for the furtherance of the Cyprus national problem and for settlement of the problems being faced by the people unperturbed by the personal attacks against him and uninfluenced by the forthcoming parliamentary elections, an official government statement said yesterday. The statement referred to the criticism expressed by the Rally party of Mr Clerides, the socialist Edek, the Union of the Centre and the Pame party of Mr Sofianos for alleged exploitation of the status of head of state for furtherance of the interests of his Democratic Party. "It would be ridiculous to expect the Chairman of the Democratic Party not to be concerned about his party. But the President of the Republic knows very well how to distinguish his two functions," the statement said. The Socialist Edek party said last night that the government statement is very much the sort the Democratic Party ought to have issued and notes that while it attacks all the other parties it mentions nothing about Akel or the New Democratic Party (NDP) of House President Mr Alecos Michaelides. [Text] (Nicosia CYPRUS MAIL in English 6 Mar 81 p 1)

CSO: 4920

CANDIDATES FOR MAYOR OF BERLIN GIVE VIEWS ON REFORMS

West Berlin DER TAGESSPIEGEL in German 28 Feb 81 p 8

(Text) Hans-Jochen Vogel:

Berlin is a challenge. Together with the Senat I am responding to this challenge because this city has a dual task: To begin with Berlin, like every other major city, must respond to the needs of its residents and satisfy them in a humane manner.

Berlin, though, has another duty also. This arises from the fact that, in its daily life, Berlin must to this day suffer the consequences of one of the darkest periods in our history. These include the partition of the city, the presence of occupation forces (now our protectors), its geographical location on the border of two profoundly different social systems, and finally the obligation to keep alive the historical connections and common roots of our national life. Both tasks are closely connected. Berlin may accomplish its task as the city of peace and freedom only if it is able to cope with its municipal problems. Other major cities also are familiar with municipal emergencies, errors and defects such as are facing us: The lack of cheap housing, the decay of the building substance, squatting, pollution or difficulties in living alongside immigrants--all of these trouble Zurich, London, Milan and Los Angeles also. That is why we must find the appropriate criteria and responses with regard to that which must have absolute priority: Man and the development of his personality or the optimisation of real property rights?, variety of scenery, cultivation, private and public function or the monotonous expanse of urban development?, the land devouring road or the land conserving rail?, the traffic free zone giving priority to pedestrians and children or the residential street misused for through traffic and, moreover, choked with parked cars?, the city shaped by the common will or the sum total of many possibly opposing accidents?, the city as a personality or the perfect but anonymous and freely interchangeable urban machine? That is the nub of the matter.

In the first weeks the new Senat of the social-liberal coalition adopted important decisions on urgent issues. These decisions remove abuses which occurred as the result of mistakes in the efforts to rehabilitate and modernize Berlin. The commission appointed for that purpose by the Senat on the fourth day of its term of office therefore yielded precise conclusions within a very short delay indeed. These will serve to

-- Reduce the vacancy rate of housing accommodation,

- Make sensible temporary use possible,
- Encourage self-help and alternative types of accommodation.

Already construction firms have received contracts for the repair of 50 buildings with 1,000 apartments. This will cost a third of the initial DM20 million made available. The remaining money will also be used in March.

No less important are the simultaneous discussions with all those involved in order to reduce the grievances and transform the current situation into legal and orderly proceedings. Criminal acts are totally unsuitable for coping with problems. Squatting is illegal, regardless of the fact that the police now refrain in some instances from clearing occupied buildings, either because no legal complaint has been lodged or in accordance with the principle of proportionality. This principle is integral to our legal system. It states that some investigative or other police operations must be set aside if their immediate execution would involve disproportionate perils for other legal assets. That is a tenet of our constitution.

The Senat will maintain this dual approach. Some believe that the problem could be solved by calling on the police, the courts, the articles of the law or the demand for harsher sentences; they are in error. Of course the people involved in excesses also include agitators and criminals whose criminal energy would otherwise find different outlets. That, however, is not the prime cause for concern. The question we must really explore in depth is this: Why do so many young people involve themselves in acts of violence, and why do they include young people from almost all occupational and educational strata? What is it that produces so much aggression in them, which then explodes on the most varied occasions? In the Senate session of 12 February I tried to give a preliminary answer to this question. We will have to pursue this in common efforts.

The Berlin housing market continues to be more strained than the corresponding market in the Federal Republic as a whole. Despite considerable new construction--roughly 10,000 units per average and year since 1976--, a definite housing shortage persists for some important groups: Large families, incoming skilled workers, senior citizens, the handicapped and foreign workers. In view of very high construction prices it is unlikely that this shortage will be eased in the foreseeable future by affordable new rental accommodation. Berlin will therefore remain a black spot through 1990. By now all parties agree with me on this point.

Berlin needs an urban traffic system integrating the intra-urban electric railroad. That command makes sense in terms of traffic and the ecology. Other major cities need to construct such systems now. In Berlin we can use existing tracks and facilities. I am quite aware of the special implications of all actions involving the intra-urban electric railroad. Anyone familiar with the juridical data must be aware that only agreed settlements, taking into account the interests of all those concerned, have any prospect of success. At the same time this concept would also have considerable and favorable effects on the labor market. To finance it we could, if necessary, have recourse to moneys earmarked earlier for the western tangential motorway. After careful study the Senat considers that motorway expendable for urban planning, financial and environmental reasons.

The Senat furthermore decided strictly to stick to the principle that only in exceptional circumstances may members of the Senat also be members of supervisory boards or other bodies of profit-making enterprises.

We have thus made a start on the stricter separation in practice also of decision-making, execution and supervision--especially in those sectors where business, finance, administration and politics overlap. The Senat is striving for a well functioning system of checks and balances, also for the greater coincidence of responsibility and decisionmaking powers.

I have been governing mayor for 5 weeks now. I have often been asked for Berlin's most pressing need. I have also received many excellent suggestions in the course of many conversations in the city and from a flood of letters addressed to me in city hall.

It is my firm belief that Berlin now needs most of all hope, optimism and self-confidence. Some people seem discouraged; others talk of their fears. Others again feel that their lives lack direction. They miss affection, they also despair of the way they relate to one another. Moreover they are tired of that which they consider bureaucracy, tutelage, erratic distribution or the deprivation of opportunities and services.

I came to Berlin because I believe in the future of this city, because I believe its problems to be amenable to settlement, because I know the history of this city and also know that the Berliners have responded to far more serious challenges than those confronting us now. If we do not sweep our problems and errors under the rug, if instead we confront them with renewed self-confidence, keeping in mind the common welfare beyond disagreements and differences of opinion, I do not seriously worry about the future of Berlin. In that case Berlin will again become a city looked up to--not for the sake of a title or a formula, but because people here get the better of resignation and fight for their city. Fight so that it may continue to be a decent city. Only as a major and decent city can Berlin be the city of plurality, of liberalism, peace and freedom with a message for the people outside of Berlin, the people of Germany, thereby making it a national message.

Richard von Weizsaecker:

The astounding strength of the popular initiative for a plebiscite has exacted new elections. Expressed here was no declaration of love for any specific party. It was the elementary eruption of anger about the fact that ruling parties consider government their spoils at the expense of the citizens. Politicians of all persuasions have exposed themselves to the suspicion that they care more for their own interests than for the common weal.

1. This is where the first change must set in. A new and clean start requires clear prescriptions for the behavior of politicians. As in the case of other people, pensions for politicians should be paid only once they have reached the age limit, not before. Allowances for deputies should be dealt with by an independent commission. Neither senators nor civil servants dependent on their instructions should sit on the supervisory boards of public companies. In general a deputy should not use his

influence for material advantages in his private occupation. His public office should not help his entrance and promotion in a professional career.

That applies quite particularly to the public service. It is there for everybody. It is all the more insupportable for its reputation to continue being sullied by party entanglements. A senat guided by the Berlin CDU will not penalize anybody in the public service because he holds membership in another party--provided he does his duty. Party membership may be neither a condition nor an obstacle to employment and promotion.

Exploitation of power for one's own interest and entanglements are quite normal human weaknesses. They are certainly not limited to any one party. Those who are tempted all too easily fall prey to temptation. Yet two points make all the difference in Berlin: For one the politico-programmatic attitude of the SPD, which creates the temptation, for the other the more than 30 years of day-to-day implementation of the program in the political rule of one party. Fatalistic apathy by many Berliners vis-a-vis the permanence of such an exercise of power would be devastating. Berliners may carry out the change themselves provided they make the effort. The pebisite initiative has given the signal.

2. CDU and SPD programs differ fundamentally. That has decisive practical consequences.

The SPD starts from the conviction that the needs of citizen must largely be satisfied by social means. For many years, therefore, the SPD has encouraged and produced more and more public authorities for virtually all aspects of daily life. As Krockow wrote in DIE ZEIT of 24 October 1980, the SPD is the "classic party of government intervention, almost automatically seeking to approach any new problem by more government and more administration. It is the party of a benevolently and uniformly administered state society."

The present damage has been caused by the program and overly long government power, not by malicious intent. Three influences coalesced: The idealistic belief in the accomplishment of democracy by socialism (Godesberg Program), the unceasing expansion of the party-ruled government apparatus, and--ultimately--the spoils which unfold their all too human attractions. Consequently party, government, administration and public business merge into a single machine. There is an end to the division of powers and to supervision. Political patronage flourishes. The system is self-perpetuating. To be sure, all these steps were marked by the striving for social justice and in fact yielded bureaucratic beneficence. However, the main result was more taxes and social deductions for the citizens, more administration and tutelage of people by the state, more demands on the state--but less public spirit and civic responsibility.

3. The CDU starts from a basically different premise. In the social and legal state we are concerned with the citizen's own actions on his own responsibility, his commitment to the sharing of responsibility and decisionmaking. Our aim is the citizen's freedom and public spirit, encouraged and challenged by the political principle of subsidiarity, that is protection for the weak and help to arouse self-help. The smaller and humanly more intelligible unit, guided by personal cooperation,

always enjoys preference over government-bureaucratic settlements. That is often quite difficult, especially since day-to-day operations have for years proceeded in the wrong direction; even the CDU has sometimes--and quite unnecessarily--moved in that selfsame direction. But, in contrast to the administered state society of the SPD, we will resolutely pursue the path of civic freedom and public spirit. Theirs is the future.

4. It will be necessary more than has been customary in Berlin to encourage the many initiatives devoted to the tasks involved in the social intercourse of people: Youth counseling and career counseling, counseling for both or single parents, women's groups, aid to integration and precinct work. Particularly important to us are social services and social agencies. Household help for the infirm ranks before hospitals and nursing homes. Social policy can effectively help the weak only if it primarily provides backing for their own strength. Collaboration ranks before welfare, help for self-help before care.

5. An end must be made to the increasing socialization of child rearing. The latest social democrat doctrine describes parental education as "an item of individualist nostalgia, oriented to historically obsolete experiences" (Hamburg Youth Authority, 9 September 1980). Education is declared a comprehensive government concern. While this doctrine is not quite so stiltedly formulated by the Berlin Youth Senat, it has been practiced for many a day. The extension of nurseries in Berlin to the point when they account for a third of all such places available in the FRG as well as the effects of zero payments for day care nursery services lead in the wrong direction. Help in emergencies and for the socially disadvantaged must not be made the norm.

The Berlin CDU backs the responsible work done in institutions and public facilities. We agree zero charges where needed: That is where they act as a social net to catch the needy. We strongly oppose them whenever they incite to abuse. They must not be allowed to tempt parents simply to park their children, although they could well look after them.

All experiences of infant rearing have taught us that security within the family offers the child the best protection. Therefore our program includes: Accommodation suitable for families; children's recreation grounds in preference to well-tended lawns; priority for rearing at home; educational subsidies in preference to zero charges; adoptive and foster parents in preference to institutional care.

6. As regards resident aliens, the tug of war in the various senat agencies must be replaced by the appointment of one official for alien affairs at the office of the governing mayor. We will be able to improve living conditions for resident aliens only if we restrict further influx. It may also be possible to financially facilitate voluntary repatriation by paying out claims on social services. Schools and vocational training will be the focus of our aliens policy. We need a proper offer of instruction in the mother tongue. This will also make easier for them to learn German and obtain opportunities for vocational training. Dealing with foreign workers in Berlin is not a marginal problem. It is a central requirement for internal peace.

7. The economic situation is getting more strained. Job preservation assumes steadily greater urgency. It is just as important to improve the competitiveness of small and medium firms vis-a-vis large ones to ensure the ability of business in general to hold up in competition with public companies. A persuasive system of training and further education in future-oriented production and service firms is to make Berlin once more a city offering prospects for career promotion.

Flexibility is valuable in working life: From part-time jobs to the gradual transition to retirement. That also means less bureaucratic regulation and more independent freedom of organization.

8. Of the utmost importance for secure jobs in Berlin is the environment of living conditions: Schools, culture, recreational opportunities and--most of all--housing. The latter is still the worst example of poorly administered government bureaucracy. The Senat itself is the worst culprit in regard to our acute chief problem--squatting: The vast numbers of buildings empty for far too long. It must therefore be the first concern promptly to determine for every single building whether it is to be demolished, remodeled or repaired. Repairs will have priority in the immediate future, because there are enough existing older buildings. In districts to be rehabilitated we will need short-term rental agreements. Tenant wishes must be taken into account rather than model blueprints, if for no other reason than to leave remodeled accommodation affordable for their former residents.

As regards rent control we have proposed lengthening the schedules to 1990, that is up to the introduction of the social landlord and tenant law. One change must be made: The time schedules must not elapse unused, as used to be the case. Otherwise we will get the hopeless decay of old buildings and an impossibly expensive housing future. It is urgent to increase the housing stock, coupled with improved rent payment regulations.

Housing policy is a crucial element of legality. But that in itself is not enough. The rapid increase of extra-legal space, favored currently by silent toleration and disputes among the various Senat agencies, is quite unacceptable. Squatters genuinely seeking accommodation must be offered housing in other empty buildings. When the appropriate time has elapsed without result, the occupied apartments must be cleared. Prosecutions must be initiated when criminal offenses occur in or out of occupied buildings. The seriousness of the offense will determine the kind and sequence of the measures to be adopted.

9. The external situation of our city is overshadowed by the greater international complications. At the moment we do not discern a Berlin crisis threatening from the outside. It would not be in the interest of the power which might unleash it. Though nothing has changed in the long-range targets of the Soviet Union and the GDR leadership vis-a-vis the free sectors of Berlin, both are waiting for the internal decay of the city.

At this point Berlin's external situation intersects with our internal tasks. It seems that we have already advanced somewhat toward that internal decay. The long-standing domination of the social democrat concept of the administered state society has weakened many forces. The public services machinery consumes more

than the taxpayer is able to feed into it. Debts are growing. The bureaucracy of tutelage has made many citizens apathetic and also resulted in the infamous Berlin subsidy mentality. All of this paralyzes instead of inspiring us.

Reversal is crucial. We must regain our community's independent capacity for action. As politicians we must use our appreciation of that which is feasible and necessary--not to make the public feel better by lulling it, but by changing the consciousness of the citizens, their expectations and demands. All of us will have to become more modest. We must not always expect everything to be supplied by the government. Self-help and civic responsibility as against the administered state society--by these we may regain the strength necessary for the future.

At the same time that is not a task for the political leadership alone. Many intelligent and intellectual people like to live here in Berlin and live well. They find inspiration here as in no other city where German is spoken. They also have important opinions about social and political life. Their cooperation in political responsibility also is needed, far more than has been the case before. It is understandable that they prefer to leave election campaigns to the parties. What must change in Berlin is their subsequent attitude, their persistent aloofness from political responsibility.

We Berliners must not, in remembrance of the great past, ask other Germans and the world: Who will help us? Who will take notice of us? Instead we will ask: What contribution may we make, based on our experiences? Having an advance in the matter of crises, how can we also develop an advance of competence in performance? We must and can cope with internal weaknesses. We may thereby provide an example to others. We can also prove that all those who expect our decay are waiting in vain. At the same time we thereby keep alive the historical prospect of overcoming the inhumanity of the partition. We will do this by peaceful means, the superior interior strength of free civic responsibility and free public spirit. We are committed to peace.

The prerequisite for all this is the survival of the basic ideal of democracy. For the general good government and opposition must swap roles from time to time. This democratic opportunity produces the strength needed for renewal. Recently this newspaper wrote something which applies fully here also: "The citizen must be ready, for the benefit of the operation of democracy, to overcome inclinations and disinclinations in order to produce a change at election time." Then we can have amendments to that which needs to be amended.

11698
CSO: 3103

PAPER VIEWS DILEMMA BETWEEN NEUTRALITY, TREATY WITH USSR

LD251417 Helsinki HUVUDSTADSBLADET in Swedish 20 Mar 81 p 4

[Editorial: "'No Conflict'"]

[Text] Small nations must also think about "the unthinkable" sometimes; that is, consider what could happen to them in a war or in a near-war situation of the type which preceded the outbreak of World War II. In actual fact, such discussions are nearly always taking place in Finland. And this has happened especially in connection with the submission of the Parliamentary Defense Committee's recommendations and can be expected to continue. Discussions in other contexts also touch on key questions surrounding neutrality, the Friendship, Cooperation and Mutual Assistance Treaty, defense readiness and Finland's various foreign policy initiatives. A large number of such pronouncements on such questions refer, explicitly or implicitly, to what could happen in a war despite the fact that even in the present tense situation a war cannot be thought of as particularly likely.

The two fundamental ingredients in our policy in a really critical situation are the desire to remain outside a war and the desire to fulfill our commitments in accordance with the friendship and mutual assistance pact. The former could be expressed as our desire to remain neutral if war broke out. Hardly anyone could deny that neutrality in peacetime has a positive value. As a neutral state and, in the framework of international conferences, a member of the group of neutral states, Finland has not only won a respected position in the international context, the country has also been able to do more for peace and detente than if it had been a member of an alliance.

However, neutrality is also a value which deserves to be asserted if war breaks out. For a small country which, to quote the Friendship, Cooperation and Mutual Assistance Treaty, strives "to remain outside the conflicts of interest between the superpowers," there cannot be that much sense in knowingly and willingly launching into these conflicts of interest when they are at their worst, that is during a war. If we do so we also expose ourselves to the risk that our country will automatically be seen as the territory of a warring power with all the serious consequences this could have.

However, wanting to remain outside a war is one thing, succeeding in doing so is another. It is far from certain that Finland's desire for neutrality would be

respected in a situation when everything is in jeopardy. The experiences from World War II speak very clearly on this point. If an attack of the type mentioned in the Friendship, Cooperation and Mutual Assistance Treaty did hit our country, neutrality would automatically be suspended and the cooperation mechanisms the pact describes would come into force.

And this brings us to our second central endeavor in a crisis, which is to fulfill our commitments in accordance with the Friendship, Cooperation and Mutual Assistance Treaty. There must be no doubt about our desire to fulfill them. The peaceful working together that has developed during the almost 33 years of the Friendship, Cooperation and Mutual Assistance Treaty is, of course, a goal in itself, but in the final analysis it is also intended to give a firm foundation to the conviction that Finland will act in accordance with the pact's regulations in war time too.

It is at this point that the importance of a defense force comes in. It is a self-evident truth that the tools of foreign policy are the most important when it comes to asserting our neutrality and creating confidence in our desire to preserve the Friendship, Cooperation and Mutual Assistance Treaty's provisions, but our defense capability is an important complement to these. It is impossible to envisage that a country in Finland's geostrategic location should be a military vacuum. In such a case our country would only be an object, not an acting subject.

In the discussion it is often possible to see a tendency to argue as if there were some sort of tension between the efforts to remain outside a war and to fulfill the pact's provisions. Some writers tone down neutrality to give greater prominence to the pact's cooperation and mutual assistance machinery. Others give such emphasis to the desire for neutrality that the pact's commitments are overshadowed. Finally it is also possible to say that the majority of premises would collapse in a war which from the first moment was a total nuclear war. But this is true of all conventional defense arguments the world over.

Since sequences of events, especially during a war or during a time when war threatens, are difficult to predict, it is impossible to declare in advance that tension between the two goals could never arise. But we do not need to accept this possibility as a fact. Finland's desire to remain outside a war does not have to conflict with the Soviet Union's interests, with one basic proviso--that there is the political willingness and capability to defend ourselves against attack and that we adopt sufficient measures to be able to meet such an attack in advance.

CSO: 3109

DOXA POLL OF VOTERS ON FORTHCOMING REFERENDUMS

Rome L'ESPRESSO in Italian 21 Dec 80 pp 18-22

[Article by Renzo di Rienzo, "Life Sentences Yes, Hunting No"]

[Text] A Doxa-ESPRESSO poll shows that the voters today highly favor life imprisonment; are uncertain about nuclear plants; strongly opposed to hunting; against liberalizing light drugs. As for abortion...

Milan--Over the past few weeks the experts of Doxa Institute, commissioned by ESPRESSO, have been traveling throughout Italy to ask people what they think about abortion, hunting, nuclear stations, life imprisonment, and those other issues to be put to the plebiscite next spring--in short, to find out how they will vote, whether for or against this or that referendum. It was difficult to condense such heterogeneous and complicated matters into simple, understandable questions, yet when the computer began to tally up the mass of input, the answers given by those persons interviewed proved to be altogether clear. Examined in detail, here are the results:

Abortion. The replies confirmed what had been feared: the electorate will not be likely to liberalize abortion completely. More possible is the hypothesis that the voters will restrict it to the extent almost of abolishing it, as the two negative referenda championed by the Movement for Life propose.

The information collected by Doxa in its sample interviews with 1,591 persons (785 men and 806 women) show that only 32 percent believe that pregnancy should be interrupted at the discretion of the woman bearing a fetus, while 65 percent oppose wholly liberalized abortion. Scanning the tables, we find that one of the two proposals put forth by the Catholics has a good chance of passing. Indeed, a wide majority of those responding think that abortion should be permitted only in cases of serious danger to a woman's health, which is one of the two formulations proposed by the Movement for Life. Others would allow abortion only in cases of grave danger to a pregnant woman's life, in agreement with the more restrictive Catholic stand. If we examine the political persuasions of those voters who would limit abortion only to cases in which a woman's health is at stake, we make another surprising discovery: this category includes not only voters in the ranks of the DC and MSI but also--and on a massive scale--in the lay parties, the PSI and PCI.

Casuistry. It is oftentimes true that the way a question is worded will condition the reply, as demonstrated by another Doxa query, "suggesting" other possible cases whereby abortion would be allowable, and drawing favorable responses. Thus, apart from the two exceptions foreseen by the Movement for Life (danger to the life or health of the woman), the interviewees think that abortion may also be permitted in these circumstances: if there is a risk that the newborn child will be deformed; if the expectant mother is under 15 years of age; if she has conceived as the result of sexual violence or incest; or if she is beset by economic difficulties. As we can see, these eventualities are already provided for by the present law, which leads us to believe that probably the two referenda championed by the Catholics might be defeated--not by the total opposition espoused by the radicals but rather by a campaign to defeat all three referenda and to retain the present law.

Nuclear power plants. After abortion in order of importance comes the issue against the installation of nuclear power plants. Here it seems that the massive mobilization campaign promoted by the ecologists has begun to influence public opinion, even outside those areas designated as sites for such plants. As of now, both sides are almost equal, with a slight prevalence of those in favor of nuclear energy: 45 percent against 44 percent opposed. Two years ago, a similar Doxa poll gave a huge majority to those in favor--45 percent against 25 percent opposed.

The interviewees who support nuclear energy, or at least those who maintain that it has more advantages than disadvantages, are mainly citizens allied to the parties in the present government, while those strongly opposed represent the new left and, to a lesser degree, the PCI, even though the communists have repeatedly announced their approval of a limited nuclear energy program. Moreover, the Doxa-ESPRESSO poll shows that had the question been put to the public in April of last year, immediately after the accident that disabled the Harrisburg station, the opponents of nuclear power would have won a decisive victory (45 percent against 33 percent opposed). Another significant revelation is the fact that the number of undecided respondents has dropped drastically from 30 to 11 percent, which means that, with considerable information on the subject having been widely publicized, most people, rightly or wrongly, have formed their own opinions on the problem.

Hunting and possession of arms. Given the data furnished by the poll, the referenda which the radicals could win without much dissent refer to hunting and carrying arms. Of those interviewed, 67 percent approved a total ban on hunting and 26 percent tighter limitations of the rule, while only 30 percent wanted the present regulations continued. This leads us to believe that these data relate to the percentage favorable (51%) forbidding arms to all citizens, hence that the response to those referenda comes from a rejection of violence in any form whatever.

Life sentence. If this is true, then it explains why an overwhelming majority of the interviewees (82 percent) voted for maintaining life sentences (some even want it replaced by capital punishment). Thus, more than ever the average citizen demands law and order and rejects the radicals' other referenda, which seek to broaden the scope of civil liberties and eliminate residual rules of the fascist codes.

Light drugs. Amazingly, 84 percent of those queried replied "no" to the [radicals'] proposal to liberalize light drugs (marijuana and hashish). Not even the young are convinced that such an initiative is advisable: only 27 percent of them answered that they would vote for it.

Crimes of opinion. Doxa separated the referendum, calling for the abolition of "crimes of opinion," into two formulations. The first explains that today any citizen can be condemned for offending, in writing or orally, the Italian republic and its main symbols (the president, the flag or the army), the Catholic religion, or foreign nations. To the proposal which would abrogate this law, 50 percent replied in the negative, 40 percent in the positive.

In the second formulation, Doxa reminded the interviewees that a person can be condemned for attempting to convince others to disobey the laws of the state. To the proposal that this ruling be annulled, the answer was a massive "no."

In conclusion, the Doxa-ESPRESSO poll indicates that the Catholics' two referenda on abortion have a greater chance of success than does the radicals' referendum, although all three could be defeated by an electorate determined to continue the present law. The radicals, on the other hand, could win the referenda banning hunting and possession of arms, whereas they are slightly outvoted by those favorable to nuclear power plants. For the moment it seems unlikely that the other proposals inspired by liberalism can muster up much support.

The profile of the Italian citizen emerging from the Doxa-ESPRESSO poll is defined by technicians as "medium-low," i.e., it appears that our fellow citizens are resistant to audacious innovations and social experimentation.

How They Answered

Here are the results of the Doxa poll, taken early in November in behalf of ESPRESSO, on the main referenda proposed by the radicals and those proposed by the Movement for Life, which refer only to abortion.

Abortion

Under what circumstances should abortion be allowed?	YES	NO
In all cases in which the woman chooses it	32.4	65.1
If the woman is not yet married	44.1	50.5
If she is under 15	59.7	34.5
If she has serious economic problems	52.7	42.6
If she is the victim of sexual violence or incest	78.3	17.0
If there is a risk of malformation in the newborn	86.2	9.7
If the woman's health is threatened	87.4	9.2
If the woman's life is threatened	90.9	5.8

Other Issues

Nuclear power plants	44.3	43.6
Hunting	29.8	67.0

Life imprisonment	75.2	15.0
Light drugs	13.0	83.7
Crimes of opinion		
--punishment for offenses to the president of the republic, the flag, army, state religion or foreign nations	50.0	40.7
--punishment for those who instigate disobedience to the laws of the state	61.4	28.3

9653

CSD: 3104

PAPER COMMENTS ON MEETING OF NORTH EUROPE SDP'S IN OSLO**LD231153 Oslo AFTENPOSTEN in Norwegian 16 Mar 81 p 2****[Editorial: "Labor Party Nuclear Meeting"]**

[Text] At the weekend the Labor Party hosted a short meeting on nuclear arms problems for a number of party colleagues from Western Europe. The meeting did not end with any joint statements but furthers an initiative by small Social Democratic nations which began with a meeting in Amsterdam 2 months ago. Then leading Social Democrats from the Netherlands, Belgium, Denmark and Norway took part--Norway being represented by party chairman Riulf Steen, who was also trade minister at the time, and Defense Minister Thorvald Stoltenberg. The meeting was followed by statements which went a long way toward equating the United States and the Soviet Union as far as nuclear arms in Europe are concerned. The small states' special roles were stressed and a new debate gathered speed on NATO's double resolution in December 1979--to match the Russians' new Euro-strategic nuclear arms and to offer the Kremlin negotiations on a balance at the lowest possible strength level.

After a few delays Social Democrats from the same four countries have now discussed the same problems in Oslo--but this time with guests from two larger West European nations. Two representatives came from the British Labor Party, in which the dominant trends are against NATO, against the EEC and for unilateral British disarmament. What have these two been able to say to our Norwegian party leaders and government members? On the Norwegian side it was not only party chairman Steen who took part, but also Prime Minister Gro Harlem Brundtland, Foreign Minister Knut Frydenlund and Defense Minister Thorvald Stoltenberg. As well as the Britons, Egon Bahr was also present--according to his own statements as an interested observer--from the West German Social Democratic Party, the SPD. It is obvious that he strongly underlined the SPD's foreign policy's basic principle--there must be military balance if there is to be any hope of promoting detente between East and West--and this balance is in the view of the SPD now being undermined by the new modern SS-20 missiles which the Russians are deploying with West Europe as their target area.

All sobermindedness among Social Democrats on this topic is very welcome, and if the impression that the Oslo meeting has contributed to such sobermindedness is correct, then it has been a useful meeting. It is also encouraging that there is no doubt that the new U.S. leader is willing to negotiate with the Russians about these arms; Bahr said that on the basis of the most recent information

such discussions could begin within 2 to 3 months. Reminders to the Americans from Western Europe that these talks should be resumed without unnecessary delays are also useful--regardless of the party color of the people doing the reminding.

Attempts to create fronts within NATO between the small and the large states will never have any effect other than giving the Kremlin even more bonus points in future negotiations than those which the Russians are already trying to win with their new missiles. Such a front would be at odds with what is new in the NATO alliance--a community of duties, rights and responsibility between large and small nations. We hope that the Oslo meeting has not increased the risk of a front of this type arising within the alliance--but we by no means feel assured.

For us in Norway it is interesting that the opinions of the West European Social Democrats were divided on the notion of a Nordic nuclear-free zone, even in a broader European context. Bahr was quite clear about it: Nuclear-free zones in a larger European context are not a real alternative in today's defense policy situation, he said. This is a view, voiced by one of the main architects of the policy of detente, or which our own speakers in the nuclear-free zone debate ought to take careful note.

CSO: 3108

'AFTENPOSTEN' EDITORIAL ENDORSES FRYDENLUND STORTING REPORT

LD241013 Oslo AFTENPOSTEN in Norwegian 19 Mar 81 p 2

[Editorial: "A Period of Reshaping"]

[Text] At all times people have probably had the feeling of living in a period of transition--but when Foreign Minister Knut Frydelund now says that "There are many indications that we are now facing an important period of reshaping in international politics," we are nevertheless inclined to agree with him. In his report to the Storting yesterday, Frydenlund pointed out that the new U.S. policy has still not been given final shape, even though individual contours are visible, and he pointed to Moscow's need to break its international isolation. In a subordinate clause the foreign minister also mentioned that the EEC nations are also in the process of coordinating their foreign policy stances. However, he laid special stress on the "constructive ambiguity" in party chief Leonid Brezhnev's speech to the party congress at the end of February: The Russians are willing to accept U.S. demands on new SALT negotiations and the West European demand that confidence-building measures in the military sector must extend as far as the Urals. It is interesting that Frydenlund now hints that such measures on the Western side should include U.S. and Canadian troops in Britain, Iceland and Spain.

An important circumstance, which is often overlooked in Norwegian domestic debate, was stressed by the foreign minister. The many talks on arms control which are now at a standstill--and which therefore prevent a continuation of the detente policy--are all interconnected. This means that it is possible that a breakthrough at one level could have reinforcing effects which also lead to progress at others; a process moving forward under its own momentum could be started, he said. This is a cautious optimism which we share, not least because Frydenlund envisages concerted Western action in these key questions--without any Norwegian solo solutions. The notion of a Nordic nuclear-free zone was passed over in significant silence, and instead we were given a rejection of the Kremlin proposals to "freeze" the present nuclear arms situation in Europe--we must negotiate our way toward balance at a much lower level of strength than one which Moscow created through its present expansion of its nuclear missiles, a development which could make West Europe politically dependent on the Soviet Union. It is comforting that the government is making a clear stand on this question.

It is pleasing for Norway to have been able to pursue this week, during Foreign Minister Józef Czyrek's visit to Oslo, a Norwegian-Polish dialogue whose traditions go back as far as the 1950's. We share Frydenlund's hopes that these talks can make a contribution to a new movement in East-West relations. He rightly stressed the fundamental importance of the Poles being allowed to solve their problems themselves, without interference from outside.

A great deal of healthy pragmatism, which is bound to awaken annoyance among political extremists, was shown in Frydenlund's thoughts on our relations with South Africa. Careful consideration of our idealistic views against concrete industrial interests results in a "no" to a unilateral Norwegian boycott of South Africa--after a period of growing trade. However, the active Norwegian approach to segregation policies will be maintained. On the question, too, of imports from the developing countries Frydenlund has borrowed some of Brezhnev's "constructive ambiguity"; at the same time as he describes Norway as "a pioneer in cooperation to bring about economic development," he admits that Norway is very restrictive in the fields of textiles and foodstuffs.

But here it is not consideration of national economic interests which lies behind the government's position; it is--particularly in the case of textiles--small but vociferous pressure groups who win the day, at odds with the interests of developing countries and consumers alike. But there is no reason why Norway should be the black sheep among the white nations--we can afford to live up to some of our idealistic views.

CSO: 3108

FOREIGN MINISTER ULLSTEN DISCUSSES SWEDEN'S WORLD ROLE

Stockholm MARKETPLACE SWEDEN in English Mar-Apr 81 pp 14, 15

[Article by David Noble, MARKETPLACE SWEDEN editor]

[Text]

†

Ola Ullsten is continuing the tradition of Swedish foreign ministers by seeking ways to make the world a better place to live in. Marketplace Sweden Editor David Noble spoke to the foreign minister and filed the following profile.

It was early afternoon, but the streets of Stockholm were already darkening as I entered the cavernous downtown office of Foreign Minister Ola Ullsten. Street-wise politician that he is, Ullsten seized the initiative immediately by opening our conversation with the somewhat usual gambit of admitting he was ravenously hungry.

"I've been tied up in a cabinet meeting all morning and haven't had time for any lunch yet," he explained. "I hope it won't embarrass you too much if I grab a bite to eat as we talk?"

I assured him it wouldn't, and watched as a huge plate of ham, meatballs, boiled potatoes and mixed veg was plonked before the minister by his secretary. As he washed a mouthful down with a glass of low-fat milk, I asked Mr Ullsten what had prompted him to enter a profession as notoriously unpredictable as politics.

He smiled bravely. "I suppose you could say that I've been privileged by coincidences — Life is built on coincidences, after all."

That may be true. But the fact is Mr Ullsten, who looks a good ten years younger than his 49 years, has achieved his present status by sheer hard work, personal drive, talent and frankly, political acumen. Yet his entry into politics came relatively late in life.

Social Welfare

Born on Mid Summers Eve, 1931, in the northern Swedish Baltic port-city of Umeå, Ullsten was initially more interested in a career in social welfare. He attended the National School for Social Welfare, an independent institution later integrated in the university system, where he gained his degree. Several years were to pass in a variety of jobs before the coincidence he was waiting for happened.

"I remember the day I first became involved in politics as if it were yesterday," recalled Ullsten. "It was November 1, 1957, and that was the day I started work for Nobel economics prize winner Bertil Ohlin, who at that time was the leader of the Swedish liberal party.

"Although the only organisation I'd been associated with to that date

was a youth club of a local teetotalers chapter. I didn't find it difficult to slip into the liberal party. Probably, this was due to the fact that my home district, where I lived until my mid-20s, was a liberal stronghold."

Mr Ullsten's career started as a junior secretary with the Liberal parliamentary party, and one of his tasks was speechwriting. The breakthrough came in 1961 when he was named President of the National Liberal Youth Party Organisation, a step that ultimately would springboard him as a candidate into the toughly contested 1964 general election.

"I won a seat in parliament and became one of the two youngest members ever elected," he said. "Nobody under the age of 44 had been considered a good bet for parliament by the electorate since the 1920s."

Future

But, while Ullsten has evoking memories of the past, his concerns are firmly related to the present and the future. The foreign minister is acutely aware of the manifold problems plaguing our troubled planet, and he's not frightened of speaking out in favor of the cures he feels are needed to deal with blights such as disease and hunger in the developing world, an unjust global economy that favors the rich and condemns the poor and the insane global arms buildup.

"We must be realistic about the crisis' facing us now, however," he adds. "We mustn't compare the problems we're facing at the moment with those of the 1940s, or the Great Depression of the 1930s. The world situation today is better, at least in the western industrialized world."

"No, the social disaster isn't in Europe. It is in the Third World, where disaster is a common occurrence — severe soil erosion, disease, conflict and corruption."

"The real problem facing us is the ever widening gap between the rich nations and the poor ones. And, the simple fact is that we rich nations are trying to preserve our welfare society, while in the poorer nations they are fighting to survive."

The prestigious Stockholm International Peace Research Institute, an

independent body funded by the Swedish Parliament, estimate that world expenditure on arms is currently running at about US \$500 billion, compared with the US \$250 billion spent on education or US \$25 billion spent on development aid. Foreign Minister Ullsten is enraged by the level of spending on military hardware, which he describes simply as "dreadful." In fact, he has been one of the prime movers behind an initiative to hold a European Disarmament Conference because "we just can't go on living with the present situation."

Important Role

Mr Ullsten believes that Sweden has an important role to play in helping treat and correct some of the ills plaguing our world. "This doesn't mean we should be a world conscience. We shouldn't act as if we know all the truths. But we should use our non-aligned position to speak out against any injustice, regardless of who's behind it. Perhaps, we can set an example that others will follow."

This rather Gandhian philosophy can work, however. A few years ago, Sweden decided to cancel a number of debts owed by the most depressed developing countries, and since then many other industrialized countries have followed suit.

"We've taken a stand against apartheid and other forms of oppression, we've increased development aid to slightly more than one per cent of GNP and we've supported disarmament moves," stated Ullsten. "We've put ourselves into a situation where we do have a say. We can't afford to hide. Regardless of whether or not people chose to listen, we have a responsibility to speak out."

In a speech at the end of last year at the Second Southern African Development Coordination Conference in Maputo, Mozambique, Foreign Minister Ullsten noted that the ways in which nations respond individually and jointly to the crisis's confronting us "will decide whether we shall move towards recession or resumption of real growth. Human solidarity requires that we all share the responsibility to the hundreds of millions of people who have the right to emerge from abject poverty" ■

GOVERNMENT OFFERS INCREASE IN DEFENSE SPENDING

LD241029 Copenhagen BERLINGSKE TIDENDE in Danish 19 Mar 81 p 6

("JB" report)

[Excerpts] Defense negotiations were reopened yesterday with a proposal from the government to increase the defense budget by Dkr 44 million. The proposal was immediately rejected by the defense settlement parties as completely insufficient. However, the government does not have the freedom to be too flexible in the negotiations.

At a meeting of the Social Democratic Folketing Group immediately prior to the resumption of the defense negotiations Defense Minister Poul Soegaard was given authority to indicate for the first time the government's willingness to abandon the idea of a 'zero solution.' But the minister must obtain new authority every time he wants to show some flexibility in future negotiations.

The Dkr 44 million will be used, under the minister's plan, to retain 360 enlisted men and conscripts from the personnel cuts of 1,700 men to which a pure zero solution would lead. This small reduction in the cuts would make it possible to organize Sjælland's defenses so that there would be two brigades left, each with 900 men, as opposed to the present 1,200 men. A zero solution would have meant that only two so-called "troop structures" would be left. The present proposal would also make it possible to retain Vording-Borg barracks. However, it is to be expected that other barracks will be axed, the minister said. Some 36 of the Dkr 44 million would go in pay, and the rest in increased running costs.

Representatives of the parties which support defense legislation, that is the Liberals, Conservatives, Center Democrats and the Christian People's Party, recognised the symbolic admission that the government has now abandoned the "zero solution," but rejected the proposal as all too modest, as a mere detail within the range of total defense problems.

The four parties agree that the first rounds of talks must deal with the main guidelines concerning reinforcements from other NATO nations in war and crisis situations and with the questions surrounding depots for heavy materiel, which are a possibility.

However, Defense Minister Poul Soegaard announced after the meeting that the government will not reach a decision on this question until some time in April. There will thus be no clarification in the matter when the defense negotiations are resumed on 1 April.

LATEST DEFENSE COMMITTEE RECOMMENDATIONS REPORTED

LD181017 Helsinki HUFVUDSTADSBLADET in Swedish 6 Mar 81 pp 16, 17

[Report by Erik Appeli: "Air Force Also Prominent in Latest Defense Recommendations"]

[Text] The first two Parliamentary Defense Committees' recommendations had placed a clear emphasis on the air force. On the basis of the first set of recommendations a wing of Draken aircraft was purchased for Rovaniemi, and on the basis of the second the MIG-21-BIS wing for Rissal A and the Hawk training planes. Despite the fact that the third committee's recommendations place emphasis on land combat forces and the navy, the air force also figures prominently. It is proposed that half a wing of all-weather Hunter jets be bought for deployment at Tampere-Birkala, and purchases should begin before 1985.

The [third] committee noted that developments in arms technology have been very swift and that these swift developments will continue during the 1980's and 1990's. Central achievements in the development of conventional arms are an increase in troop firepower and mobility and improvements in the speed of the command process. The rapid development of military technology is seen especially as taking place through the application of automation and electronics.

According to the committee, Lapland's strategic significance is underlined in the present politico-military situation. Southern Finland is also of great importance, because the air force in particular does not have the resources for surveillance flights.

Our radar system also has considerable shortcomings. The territorial waters around the Gulf of Finland--the waters of the Archipelago--and Aaland can be kept under surveillance with the present radar network. However, this is not sufficient for surveillance out as far as the fishing limits.

A central question for the committee has been whether to give priority to the considerable shortcomings in the present field army or to the effectiveness of defensive troops in the light of future needs. The latter alternative has been chosen.

Thus defensive troops will be increased to 250,000 men. This result will be achieved by training 50,000 men every year, of which 30,000 will be conscripts and 20,000 reservists, with the new arms which will be acquired.

Their training will be developed so that in terms of mobility, firepower and combat endurance they will be able to fight against an enemy using modern equipment. This will mean that the defensive troops will have to be provided with armored transport vehicles and other cross-country vehicles adapted for military use.

Antitank and antiaircraft defenses should be developed into mobile defense systems, including the missiles used by these units. Nighttime activities should be improved using nightsights, light intensifiers and illumination materiel.

When equipping troops consideration must primarily be given to their function and the conditions under which they will fight. This is especially important for troops serving in Lapland--they should be equipped with snow vehicles, long-range antitank weapons suited to mountainous terrain and field clothing which permits active service in severe cold.

However, there is no recommendation for the purchase of tanks for Lapland's brigade in Sodankylae, which already has garaging facilities for them. The intention is to first move a tank company there to acquire experience.

The antitank weapons mentioned in the recommendations are second-generation antitank missiles which are guided by lasers or by television cameras and home in on their targets using heat radiation. The French Milan missile is among the infrared homing missiles of this kind and is high on the defense forces' shopping list. However, it could be difficult to purchase this missile because it contains West German components.

Sweden is busy developing a second-generation antitank missile, which has also caused a deal of interest in the Finnish defense forces. The Soviet Union also has antitank missiles which satisfy the Finnish requirements.

The Milan's effective range is 25-2,000 meters. Its speed is 180 meters per second and maximum flight duration is 13 seconds. Its armor penetration capacity is 550mm and it weighs 13.5 kilograms.

The defensive troops will be trained using the peacetime troop units as a framework. They will be equipped to full strength and will be able to be transported to threatened areas when necessary.

The other land combat forces--the field army--are primarily to be equipped with the defense forces' present equipment and equipment which will be obtained from the civilian sector. In this way the worst materiel shortcomings will be eliminated. Greatest priority will be given to simple, cheap equipment which is easy to handle.

But for troops with modern equipment to be able to function, great demands are made on the command system (kommandostaffel]. Our highly developed, fixed communications network will continue to form the backbone of command activities, but will be supplemented by the defense forces' mobile signaling systems. This will involve making use of the latest technical discoveries, including digital technology.

[LD181019] Air defense should be based on three all-weather Hunter jet wings, of which the third will be stationed at Tampere-Birkala Airfield, where the Satakunta wing will be moved from Pori. At present it has only training aircraft with which it is impossible to make reconnaissance flights, since they are too slow and lack radar.

The Parliamentary Defense Committee proposes that Satakunta wing be provided with half of a wing of all-weather Hunter jets, that is. 10 to 15 aircraft, for a Finnish Hunter wing is much bigger than a West European one. Purchase of these aircraft should commence before 1985.

It will almost certainly be the purchase of used J-35 Drakens from Sweden. The alternative is MIG-21-BIS from the Soviet Union.

The Finnish Air Force already has planes like these, in the Draken wing in Rovaniemi and the MIG wing in Irsala, north of Kuopio. But since we have recently acquired MIG planes and antiaircraft missiles from the Soviet Union and Hawk training planes from Britain, it is probably that it will be Sweden's turn this time, for Finnish purchasing policy has meant that orders go from one of these countries to another in turn.

Sweden will soon have new aircraft of the Jakt-Viggen class, and it will then be possible to buy the used all-weather Drakens--which have been flown only little and can serve long into the 1990's. It is unlikely that a third type of aircraft would be bought since this would be too expensive a solution. For buying one type of aircraft does not only mean buying the planes, it is a whole weapons system requiring training for flight and ground personnel, ground facilities, stocks of spare parts, and so on.

For the areas not covered by the Hunter jets, antiaircraft missiles should be purchased, the committee proposes. It does not define which areas these are, but Turku is one possibility.

The renewal of our low-level surveillance radar network is largely completed, but high-efficiency radar installations should be updated during the second half of the 1980's. They are at present in Tampere, Kuopio and Rovaniemi.

Sea defenses will be improved through the purchase of new turret artillery for the ports on the Gulf of Finland. They will be of Finnish manufacture, and full-scale production of them will commence shortly.

The defense of the entrance to the Gulf of Finland and the Aaland Islands will be based on naval combat forces which will receive three new flotillas of new Finnish-built naval vessels, based on "Combat Vessel 80." These will be swift boats, designed to repulse attacks, with a top speed of 30 knots and equipped with ship-to-ship missiles and antiaircraft missiles. It is still uncertain how many boats there will be, but up to now a flotilla has comprised four vessels.

In the Gulf of Bothnia naval defenses will be concentrated on sea and shipping lane defenses and on mobile coastal artillery.

Border and coastal surveillance will be made more effective through an increase in personnel resources. As existing surveillance vessels become outdated they will be replaced by new, more up-to-date and larger vessels. So that it will be possible to implement the committee's recommendations, an increase in personnel resources will be needed. Thus the committee proposes an increase in the number of participants in refresher exercises of 3,000 men per year and that exercises be extended by an average of 2 days.

In addition, 700 new posts within the defense forces are proposed, including 200 officer appointments, 400 staff officers [befattningsofficerare] or special officers plus 100 posts for civilian employees.

All this, of course, will cost money. The committee assumes that this year defense spending, including the monthly supplementary budgets, will amount to 3.117 billion markkaa and that the GNP will grow by an average of 3 percent per year. Calculated at 1981 price levels the committee recommends a total of 17.5 billion markkaa for defense in the years 1982-1986. This will mean a real growth in annual defense spending of 3.8 percent. In this period, the cost of purchase of military material is estimated to amount to 5.330 billion markkaa.

Compared with the previous 5-year period the land combat forces' share of total spending will increase from 23 to 38 percent. The air force's share will fall, because of fewer purchases, from 53 to 34 percent. The navy's share of total spending will rise from 11 to 18 percent, while unspecified purchases will fall from 13 to 10 percent.

CSO: 3109

OSLO PAPER REVIEWS FUNDS AVAILABLE TO FORCES COMPONENTS

LD251029 Oslo AFTENPOSTEN in Norwegian 19 Mar 81 p 64

[Report by Knut Falchenberg: "Orders Worth 8 Billion Kroner Ready"]

[Text] A steady stream of large-scale orders could be the result of the fact that licenses to place orders totaling 8 billion kroner have piled up at the Defense Ministry. Several purchases approved by the Storting in the past have been delayed for various reasons. But the authorizations to make the purchases have come to a standstill and are regularly adjusted for estimated price rises. The next large project to "come through" will probably be the purchase of Roland II missiles or similar for the air force.

In other words, to the extent the Defense Ministry wishes, it could order military materiel worth a total of 8 billion kroner during the rest of the year. Such contracts will be additional to materiel paid for out of this year's budget or already ordered materiel. The equipment in question here is materiel which can be ordered this year and paid for later.

The majority of the authorizations are a hangover from previous years: Only authorizations totaling around 2.5 billion kroner are for this year, Section Chief Erick Senstad told AFTENPOSTEN.

The largest number of authorizations are for the air force, and total 4.902 billion kroner. Among the main projects, 1.522 billion will be used for the first orders for low-level defense missiles for the air force. Defense Minister Thorvald Stoltenberg recently announced that there will soon be a decision on the purchase of Roland II or similar missiles.

It had earlier been announced that this missile order would be connected to an industrial package which would benefit Norwegian industry.

Norway's share of NATO's surveillance aircraft (AWACS) totals 195 million kroner, the F-16 project 2.542 billion and new Penguin III air-to-sea missiles for the new Hunger aircraft, 172 million, at present. There are also order authorizations for the Sidewinder air-to-air missile worth 231 million kroner. A new missile of this type is under production and Raufoss Ammunisjonsfabrikker is involved.

The navy can be pleased with order authorizations worth 1.496 billion kroner. These include further Penguin II missiles worth 87 million, communications equipment worth 54 million, and at present 155 million has been set aside for the gigantic submarine project between Norway and West Germany. It has as yet not been decided how many new submarines the navy will be allowed to build in West Germany, but the navy is talking about eight.

coastal artillery will receive arms worth 1.029 billion, and this figure also covers the contract and options made with AB Bofors a few weeks ago. New tanks are the priority here. The army continues to be a little overshadowed with favorable contracts worth 930 million kroner. An order for field vehicles worth 10 million kroner has already been announced, but the order authorization has not been fully used--it covers a total of 354 million kroner.

The authorization to buy range finders worth 61 million was used last week, but large figures are still outstanding: 240 million for battalion anti-aircraft defense, 55 million for so-called data transmission systems and 45 million to modernize the M-48 tanks.

There are also authorizations for various smaller orders for all branches of the defense forces. Price index adjustments are constantly being made on all these authorizations, and certain redistributions are in progress to be put forward as proposed additions to next year's budget.

At present work is also being done on a new revision of the defense forces' long-term materiel acquisition plan. This plan will receive final consideration from the defense high command next week.

As Defense Minister Thorvald Stoltenberg pointed out in his speech to the annual meeting of the Air Force Officers' Association recently, a great deal has also happened in this sector. "It still amazes me that continuous criticism is directed at supposed shortcomings in materiel purchases and investment in buildings and installations. For what has not happened in the course of this last year!" Stoltenberg said.

Minister Stoltenberg added: "The first F-16 aircraft are on their way to be phased in, the 'new' coastguard will be operational in the course of the year, the last of the 14 new torpedo/missile boats was delivered in December, the coastal artillery is receiving 8 new guns, and a contract has been signed for the development of air-to-sea missiles for the F-16's. In addition, it has been decided to modernize the Nike battalion, battalion anti-aircraft defenses have been acquired for the army, and the replacement of vehicles for the army has begun, as has the replenishment of ammunition stockpiles."

CSO: 3108

DEFENSE FORCES COMMANDER IN CHIEF TO EXAMINE BUDGET OPTIONS

L0231145 Stockholm DAGENS NYHETER in Swedish 14 Mar 81 p 6

[Report by Sven Svensson: "Commander in Chief To Investigate Possible 400 Million Kroner Increase in Defense Spending"]

[Text] The commander in chief of defense forces will look into the consequences of a 400 million kroner increase in the defense budget during the next 5 years. This is made clear by the instructions for the next program planning period, which have been drawn up by the government.

The instructions to the commander in chief cover the 5-year period 1982-87 and have been the cause of disagreement between the three government parties. The Liberal Party thinks it unnecessary to investigate the effects of an increase in the defense budget. After the recent government savings package there is little likelihood of a defense increase. The instructions covering military defenses are based on a basic budget of 15.4 billion kroner at 1980 price levels.

The task before the commander in chief also involves investigating the consequences for the defence forces of an annual increase or decrease of 400 million kroner respectively. Planning instructions for the civil defenses are based on a basic budget of 273 million kroner. The effects of an increase of 50 million kroner will also be investigated.

The basic budget for the construction of protective shelters is 283 million kroner. There, an increase of 70 million kroner will be investigated. The budget framework for other sections of total defense have also been fixed, but not that for economic defenses.

The commander in chief is to present his answer by 4 September at the latest and in accordance with his response the Sitting Committee will begin the final phase of its work on the defense budget for the 5-year period 1982-87.

The reason why the government is investigating both an increase and a decrease in the budget is to have enough building blocks to work with when the next 5-year plan is to be put together, Defense Ministry Undersecretary Sven Hirdman said.

The defense committee recently published some preliminary recommendations. In these there was agreement that the budget for the 5-year period cannot be increased with regard to the national economic situation. The Social Democrats even advocated cuts.

THIRD ARIANE LAUNCHING EXPECTED ABOUT 11 JUNE

Paris LE FIGARO in French 27 Feb 81 p 14

[Article by Jean-Paul Croize]

[Text] Launching plans are now underway for the third Ariane prototype. It has just been learned that the manufacturers in charge of preparing the European rocket have received word to work toward an 11 June launching date.

Program officials neither confirm nor deny this information, but it was confirmed that the launching date will not be made official by the ETA [Ecole de tir aerien] and the CNES [National Center for Space Studies] for about 2 weeks following the selection, by ground tests, of the five injectors to be used on Ariane 03. However, it has been stated that the modifications made in the injectors after the failure of L 02 by SEP [European Propellant Company] engineers appear to be satisfactory and "the different partners are now being notified of a schedule."

The 11 June date is therefore still only theoretical, a kind of target for the organization of operations. The CNES emphasizes that depending on the testing procedures for injectors, assembly of the rocket and its transport to Guyana, the actual launching could well "shift" somewhat without this signifying major problems.

The important element is what this objective demonstrates: Ariane is resurfacing. It will now be possible to launch it within a period of time compatible with its future commercial rendez-vous. The purpose of L 03 is naturally to erase the preceding accident, but also to prepare for extremely tight firing sequences. The rocket should arrive in Kourou at the end of April and undergo a countdown lasting under 45 days, much shorter than was the case previously.

This will be a first step toward the four to five annual orbitings that the European launcher will have to be able to make in 1982 and 1983 in order to meet all launching orders recorded.

11,464
CSO: 3100

FINNISH FOREIGN MINISTRY OFFICIAL INTERVIEWED

Athens BUSINESS & FINANCE in English 21 Feb 81 pp 4,5

[Interview with Keijo Korhonen, undersecretary of state for political affairs at Ministry of Foreign Affairs, date and place not given]

(Text)

B&F: You recently had meetings with several Greek Government officials. What was the outcome of these meetings, and what is the future outlook for Greek-Finnish relations?

Korhonen: First of all, I should say that this was the first visit at this level held between Finland and Greece. Of course, we have had several meetings at different levels, but I believe that it is sometimes important to meet, so that we can work with our colleagues. So I, and my colleagues in the international forum, have been in contact with Greek officials. And of course, our experience has been very good. We know that your people are professionals, and they do a very good job, and it is always good to talk with them.

Of course, you might say that Finland and Greece are quite far away from each other, and at opposite ends of Europe, but this continent is quite small, and there are many common areas to be discussed. One very important example is the work within the framework of the Conference on Security and Cooperation in Europe. As you might know, the follow-up meeting is being held in Madrid.

This was my first contact with my Greek colleague and I hope to be able to continue like this. It was a very useful discussion.

B&F: Concerning the cooperation between Greece and Finland at both political and economic levels, how do you foresee the developments in the near future, within the context of Greece's entry to the European Communities?

Korhonen: Well let me first say, generally, that I think we both have a lot to learn from each other. I am sure we have very much to learn

about the Greek views concerning the situation in Europe, and especially concerning this particular geopolitical area of the Mediterranean. Although Finland and Greece have got different kinds of security; for instance, as you know, Finland follows a policy of neutrality, and Greece is a member of the Military Alliance. But both of us are small countries on the outskirts of Europe. Both of us are close to the old traditional dividing-line between the East and the West, so to speak. We are on the Western side, both of us, and I think it gives a certain similarity to our views.

Another factor is that both of us are very close to specific sea areas; Greece is very much a maritime country, and it is almost the same thing with Finland. One thing which has become a very acute question in recent times, is how to keep the seas clean, and unpolluted - the North Baltic Sea around Finland, and here the Mediterranean, as both have industrial and other human activities close to them.

There are also other similarities of points of view between us. As far as Greece's entry into the Common Market is concerned, maybe it is too early to comment on that. We in Finland are of course aware of the basic facts. We know that you have been an associate member for quite some time. It's a little difficult to say what the results of full membership are, and what changes there will be. Anyway, I would like to point out that Finland is dealing and trading with the Common Market. The Common Market represents a very vital and central part of our foreign trade. It represents about 40% of our exports and 35% of our imports, so this is of vital importance to us.

Anyway, I am sure that your entry to the Common Market will strengthen the situation. You know that Finland and the Common Market settled their relations about eight years ago, through an economic arrangement. So we will not have any problems in bilateral commercial and trade relations with Greece. We believe we will be able to increase them.

B&F: Greece is facing certain problems in the sector of foreign policy. One of these is the Cyprus issue. Another is the continental shelf of the Aegean Sea. As a disinterested foreigner, experienced in international politics, I would like to have your views on these problems, and I would like to know if you see them at a deadlock, or if there is a real working solution to be obtained.

Koronen: These are very complicated questions, and one must obviously be very careful when trying to give opinions on these things. Talking about the continental shelf, I would like to point out that it is one of those problems of international

politics which did not exist some ten or fifteen years ago. Now they are of primary importance, not only in this area, but everywhere, and I have only one general remark to make. I hope that the significant development of the law of the sea, which is now taking place, will be of certain help and assistance everywhere. What is also needed everywhere in these questions is political will, of course — this is the primary thing.

Talking about Cyprus, you said that it is a Greek problem — it is, but of course it is the problem of the international community as well. It has been since 1964. The position of my country is very simple: we are trying to be as neutral as possible. Finland as a small country has got little influence on these questions and this influence can only be exercised through the United Nations. We have been trying to do our best. Years ago, we provided services for UN peace-keeping forces on Cyprus, which I believe was of certain importance during those years. We have also been taking stands at the UN resolutions, and we have been doing our utmost to promote solutions which both communities on the island could use to settle their differences. We know that it's a very easy thing to say, and a difficult thing to realise, but I think the first step is what the UN has been doing.

That is, to maintain peace. The second step, which unfortunately has not been achieved so far, is to try to find a settlement. I do not want to believe that there is a deadlock. As long as there is no shooting, and as long as the two sides are talking, I think that there is good hope. This is the only way.

However, it is impossible to believe that the UN presence on Cyprus will be there forever, and it would be very bad for UN prestige too, if after 10, 15 or 20 years, they still had troops on the island. I do not believe that this will be the case, however.

B&F: Have you any other comments to add about your trip to Greece? What are your expectations?

Korhonen: I would like to say something on one sector of the relations between Greece and Finland, which I have not mentioned yet, and this is in the area of culture. It might be thought of as being of lesser importance, but it is not. I believe that it is very important — both for itself, and for business too. I think that it is an anomaly that so far, for example, we have not had any cultural agreements. But now the work is going ahead, and I hope that in the near future we will have one.

In talking about Greece and Finland, it goes without saying that we are the receiving partner in any cultural exchange. You know very well that Greece due to your great historical heritage, Greece has a very special role in the minds of all Europeans. We should maintain the tradition of knowing, and learning about our cultural roots - this is important for us. My own interest is in history - I am a historian by training, and I am a little concerned at the possibility that the knowledge of classical culture will be diminished in Finland. Therefore, I would clearly welcome a cultural agreement - not only agreements, but increasing contacts at the level of young people, students, scholars and of course tourists too. And this is also to a great extent a question of business.

Talking about contacts, I am sure that now that Finnair has opened a direct line to Athens, this will be of great importance in increasing tourism in both directions. I hope that you will sell to us in Finland your sun, and your hospitality, and I hope that Finnish tourists will take advantage of these things in your country. This whole area of human contacts is of major importance.

CSO: 4920

END

**END OF
FICHE**

DATE FILMED

4 - 1 - 81